Vol. III.

TRANSCRIPT OF RECORD.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1908.

No. 130.

JOHN A. KNOTT, H. R. OGLESBY, AND FRANK A. WIGHTMAN, RAILROAD AND WAREHOUSE COMMISSIONERS, AND ELLIOTT W. MAJOR, ATTORNEY GENERAL OF THE STATE OF MISSOURI, APPELLANTS,

vs.

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY.

FILED SEPTEMBER 22, 1908.

No. 134.

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY, APPELLANT,

vs.

JOHN A. KNOTT, H. R. OGLESBY, AND FRANK A. WIGHTMAN, RAILROAD AND WAREHOUSE COMMISSIONERS, AND ELLIOTT W. MAJOR, ATTORNEY GENERAL OF THE STATE OF MISSOURI, ET AL.

FILED SEPTEMBER 22, 1908.

APPEALS FROM THE CIRCUIT COURT OF THE UNITED STATES FOR THE WESTERN DISTRICT OF MISSOURI.

(21,821 and 21,837.)

INDEX TO VOL. III.

(21,821 and 21,837.)

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1909.

No. 595.

JOHN A. KNOTT, H. R. OGLESBY, AND FRANK A. WIGHTMAN, RAILROAD AND WAREHOUSE COMMISSIONERS, AND ELLIOTT W. MAJOR, ATTORNEY GENERAL OF THE STATE OF MISSOURI, APPELLANTS,

vs.

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY.

FILED SEPTEMBER 13, 1909.

No. 611.

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY, APPELLANT,

vs.

JOHN A. KNOTT, H. R. OGLESBY, AND FRANK A. WIGHTMAN, RAILROAD AND WAREHOUSE COMMISSIONERS, AND ELLIOTT W. MAJOR, ATTORNEY GENERAL OF THE STATE OF MISSOURI, ET AL.

FILED SEPTEMBER 22, 1909.

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W. C. Maxwell	5879	2917
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A. P. Taliaferro	5945	2950
Charles S. Ludlam	6112	3034
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	Original.	Print
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Vol. III.

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4894*b* MAXIMUM RATE HEARING.

Missouri Pacific Railway Company.

Name of witness.	Direct.	Cross.	Redirect.	Recross.
Buell D. C.	3764	3773	3811	3813
Bethard B. H.	3817	3823	3840	3841
Clark H. G.	3442	3445	3465	3474
Doddridge W. B.	3321	3376	3402	3477
	....	....	3475	....
	....	....	3710	3724½
Fisher W. T.	3620	3655	3701	3704
	3639	....	3705	3706
Johnson F. P.	3271	3306	....	....
	....	3490	3546	3550
	....	....	3550	3554
	....	....	3602	3605
	....	....	3614	3762
H. Roth	3312	3558	3591	3595
	....	....	3600	....
	....	....	3617	....
	....	....	3632	....
	....	....	3636	....
	....	....	3724	....
	....	....	3870	3872
	....	....	....	3915
	....	....	....	3996
Rainey S. L.	3843	3848	3864	....
Stith W. C.	3117	3185	3258	3263
	....	....	3715	3866

4894c Missouri Pacific Railway Company Index.

Testimony for the Defendants.

Name of witness.	Direct.	Cross.	Redirect.	Recross.
Bradbury T. M.	4624	....	....	....
Hamilton T. A.	4499	4521	....	....
	4844	....	....	....
Ludlam C. S.	3877	4189	....	....
	4106	4393	4434	4486
McKee M. C.	4006	4047	....	....
Taliaferro A. P.	4537	4566	4618	....
	....	....	4627	4634
Wood W. E.	4076	4086	4103	....
Weightman Frank	4381	....	....	....

4895 *Testimony in Rebuttal for the Complainant.*

Name of witness.	Direct.	Cross.	Redirect.	Recross.
C. E. Carson	4647	4649	....	....
W. B. Doddridge	4726	4727	....	....
F. P. Johnson	4658	4737	4839	4838
H. Roth	4724	4801	4832	....
	4888	4890	....	....

Testimony in Rebuttal for the Defendants.

Name of witness.	Direct.	Cross.	Redirect.	Recross
A. P. Taliaferro	4884	4886	....	....
T. A. Hamilton	4844	4860	4882	....

4896 Missouri Pacific Railway Company.

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" 3197	"	4	"	Comparative rates Iowa, Ill., Ark., and 1905.
" 3297	"	5	"	Earnings on special commodities at old rates and as affected by rates of 1905.
" 3537	"	5*a*	Johnson	Correction of Exhibit 5.
" 3870	"	5*b*	"	Earnings in Missouri year 1905.
"	"	5*c*	"	Earnings in Missouri year 1905, by months.

"	3421	" 6	"	Percentage earnings and expenses, 1904 on basis state frt. costing 50% more.
"	3553	" 6–2	"	Same as above for 1905.
"	3318	" 7	Doddridge	Amt. L. C. frt. handled certain stations.
"	3423	" 8	"	Amt. L. C. frt. handled certain stations.
	4659	8*a*		Johnson comments on Ex. 8.
"	3710	" 9	"	Local loading at St. Louis.
"	3874	" 9*a*	Roth	Merchandise loading St. Louis, Dec. 15, 17, 20.
"	3711	" 13	Doddridge	Comparative cost operating Mo. Pac. and roads in other I. C. C. groups.
"	3492	" 10	Johnson	Earnings, expenses and % of same, 1904-5.
"	3501	" 11	"	Mileage and exp. Kansas City term.
	4660	11*a*		Johnson's Comments on Ex. 11.
"	3559	" 12	Roth	Revenue at old and new rates, 1904-5.
"	3711	" 13	Doddridge	Statistical comparisons from I. C. C. reports.
"	3712	" 14	"	Tonnage from Conductors' way bills, local.
"	4001	" 14*a*		
"	3713	" 15	Doddridge	Tonnage from Conductors' way bills, Through.
"	3726	" 16	"	Loading bet. St. L. & K. C., December, 1906 prepared by agent at Jefferson City.
"	3727	" 17	"	Similar statement prepared by agent at Sedalia.
"	3814	" 18	Buell	Comparative cost state and interstate business.
"	3902	" 19	Ludlam	Missouri's proportion frt. earnings, also tons 1 mile, etc., month of October, 1905.
	4487	19*a*		Johnson's Comments on Ex. 19.
"		" 19*a*		Kansas City livestock business as State.
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"	3907	" 21	"	Gross Earnings, M. of W. & S. and M. E. 10 years.

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"	3917	" 24	"	Time card No. 7, Eastern Div., page 2.

"	3934	"	25	"	Trains carrying L. C. L. frt., as per Ex. 9.
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	1591	"	26*a*	Johnson	Density of traffic.
"	3941	"	27	"	Form 1941, sheet 7.
"	3943	"	28	"	Cost per ton interstate frt. based on forms 1940 and 1941.
"	3944	"	29	"	Cost per ton state frt. based on forms 1940 and 1941.
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"	3944	"	30	"	Gross and net earnings, operating expenses, 1905, on various bases.
"	4373	"	30*a*	"	No. tons handled in Mo., 1905, based on Ex. 30, figures ascertained from 5*a* & 19.
"	4394	"	30*b*	"	Percentages of Ex. 30, on 3 times basis.
"		"	13*c*	"	Percentages revenue 1905, on basis Ex. 30.
"	3995	"	31	"	Gross earnings, operating expenses, net earnings, 1905, on various bases.
"	3999	"	32	"	Terminal earnings Kansas City, from switching, credited to Mo. in Ex. 5*a*.
"	4000	"	33	Ludlam	Earnings from shipments north of K. C. to Grand Ave. station, credited to earnings in Ex. 5*a*.
"	4015	"	34	McKee	Time Table No. 7, K. C. terminals.
"	4160	"	35	Ludlam	Frt. Expenses various service, according to Form 1941; ratio to total applied to one ton mile and to total ton miles, State and Interstate.
"	4167	"	36	"	Cost State and interstate business.
"	4611	"	36*a*	"	To correct error in Ex. 36.
	4674		36*b*		
"	4187	"	37	"	Results in Mo. 1904-5 on various bases.
"	4612	"	37*a*	"	To correct error in Ex. 37.
"	4188	"	38	"	Results operations 1904-5 various bases.
		"	38*a*	"	Earnings and operating expenses, with no allowance extra cost doing state business.
"	4613	"	38*b*	"	Correction error in Ex. 38.
"	4422	"	39	"	Schedule bonded indebtedness.
"	4512	"	40	"	Missouri's proportion frt. earnings C. B. & Q.; also tons one mile, month of September, 1906.
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MAPS

TOO

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FOR

FILMING

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	4654	52		Gov. Message Feb. 27 1907.
	4655	53		" " Convening Legislature.
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	4680	55	Johnson	Summary of reasons for dividing expense *expense* on revenue basis.
"	4689	56	"	Summarizing different applications on figures of 1905.

(Here follows map marked Exhibit No. 1, page 4899.)

4899a Mo. Pac. Ex. 2.

Distance.	Between Saint Louis, Mo., and—		In dollars and cents per 36 ft. car.			
			Horses and mules.	Cattle and calves.	Hogs.	(Sheep DD cars.)
55	Washington, Mo.....	Present.....	19.72	15.95	16.25	15.95
		Act of 1905....	9.90	9.90	9.90	9.90
		S. Line Rate..	9.90	9.90	9.90	9.90
81	Hermann, Mo	Present.....	25.52	21.78	19.73	21.78
		Act of 1905....	12.10	12.10	12.10	12.10
		S. Line Rate..	12.10	12.10	12.10	12.10
125	Jefferson City, Mo.....	Present.....	33.64	26.40	24.36	26.40
		Act of 1905....	16.50	16.50	16.50	16.50
		S. Line Rate..	16.50	16.50	16.50	16.50
188	Sedalia, Mo. (See Note 1.)	Present.....	44.08	30.25	26.97	30.25
		Act of 1905....	23.10	23.10	23.10	23.10
		S. Line Rate..	18.70	18.70	18.70	18.70
170	Boonville, Mo. (See Note 2.)	Present.....	41.76	29.15	26.97	29.15
		Act of 1905....	20.90	20.90	20.90	20.90
		S. Line Rate..	16.50	16.50	16.50	16.50
233	Holden, Mo.....	Present	53.36	31.35	28.71	31.35
		Act of 1905....	25.30	25.30	25.30	25.30
		S. Line Rate..	23.10	23.10	23.10	23.10
158	Eldon, Mo.	Present.....	40.60	30.25	27.84	30.25
		Act of 1905....	18.70	18.70	18.70	18.70
		S. Line Rate..	18.70	18.70	18.70	18.70
181	Versailles, Mo.....	Present.....	42.92	31.35	27.84	31.35
		Act of 1905....	20.90	20.90	20.90	20.90
		S. Line Rate..	20.90	20.90	20.90	20.90
207	Cole Camp, Mo. (See Note 3.)	Present.....	45.24	31.35	27.84	31.35
		Act of 1905....	23.10	23.10	23.10	23.10
		S. Line Rate..	23.10	23.10	23.10	23.10
204	Marshall, Mo. (See Note 4.)	Present.....	46.40	29.15	28.71	29.15
		Act of 1905....	23.10	23.10	23.10	23.10
		S. Line Rate..	16.50	16.50	16.50	16.50
231	Higginsville, Mo. (See Note 5.)	Present.....	51.62	30.25	28.71	30.25
		Act of 1905....	25.30	25.30	25.30	25.30
		S. Line Rate..	18.70	18.70	18.70	18.70
	Harrisonville, Mo.....	Present.....	56.84	32.45	28.71	32.45
		Act of 1905....	27.50	27.50	27.50	27.50
		S. Line Rate..	27.50	27.50	27.50	27.50

Distance.	Between Saint Louis, Mo., and—		In dollars and cents per 36 ft. car.			
			Horses and mules.	Cattle and calves.	Hogs.	(Sheep DD cars.)
299	Rich Hill, Mo.....	Present.....	61.48	39.05	37.41	39.05
		Act of 1905....	31.90	31.90	31.90	31.90
		S. Line Rate..	31.90	31.90	31.90	31.90
317	Nevada, Mo. (See Note 6.)	Present.....	61.48	42.35	39.15	42.35
		Act of 1905....	34.10	34.10	34.10	34.10
		S. Line Rate..	29.70	29.70	29.70	29.70
382	Joplin, Mo. (See Note 7.)	Present.....	61.48	46.75	45.24	46.75
		Act of 1905....	38.50	38.50	38.50	38.50
		S. Line Rate..	31.90	31.90	31.90	31.90
403	Aurora, Mo. (See Note 8.)	Present.....	56.84	44.00	45.24	44.00
		Act of 1905....	47.30	47.30	47.30	47.30
		S. Line Rate..	29.70	29.70	29.70	29.70

NOTE 1.—Application of short line rate to Higginsville as maximum, distance 152 miles from Hannibal, via the M. K. & T., Higbee and C. & A. Railroad.

NOTE 2.—Application of short line rate to Marshall as maximum, distance from Hannibal 123 miles, via M. K. & T., Higbee and C. & A. Railroad.

NOTE 3.—Application of short line rate, via the Saint Louis, Kansas City & Colorado Railroad, distance 199 miles from Saint Louis.

NOTE 4.—Application of short line rate from Hannibal, via the M. K. & T., Higbee and C. & A., distance of 123 miles.

NOTE 5.—Application of short line rate from Hannibal, via the M. K. & T., Higbee and C. & A., distance of 152 miles.

NOTE 6.—Application of short line rate from Saint Louis, via the Missouri Pacific, Sedalia and M. K. & T., distance of 278 miles.

NOTE 7.—Application of short line rate from Saint Louis and Neosha, Mo., via the Saint Louis and San Francisco railroad, distance 311 miles, Joplin being intermediate on the Kansas City Southern Railway.

NOTE 8.—Application of short line rate from Saint Louis, via the Saint Louis and San Francisco Railroad, distance of 269 miles.

4899b–4999 Distance.	Between Saint Louis, Mo., and—		In cents per 100 pounds.								
			Wheat, car load.	Corn, car load.	Flour, car load.	Lime, car load.	Cement, car load.	Salt, car load.	Lumber, car load.	Agriculture implements, car load.	Furniture, car load.
55	Washington, Mo.	Present	7	7	7	5½	5½	5½	5½	9½	9½
		Act of 1905	6	6	6	6	6	6	6	9	9
		S. Line Rate	6	6	6	6	6	6	6	9	9
81	Hermann, Mo.	Present	9	8	9	6½	6½	7	7½	10⅜	10⅜
		Act of 1905	6½	6½	6½	6½	6½	6½	6½	10	10
		S. Line Rate	6½	6½	6½	6½	6½	6½	6½	10	10
125	Jefferson C'y "	Present	10	9	10	8¾	7	9½	9	12½	12½
		Act of 1905	7	7	7	7	7	7	7	11	11
		S. Line Rate	7	7	7	7	7	7	7	11	11
188	Sedalia, Mo. (See Note 1)	Present	11⅜	10½	11½	9	*10	10	9½	14½	14½
		Act of 1905	8½	8½	8½	8½	8½	8½	8½	14	14
		S. Line Rate	8	8	8	8	8	8	8	13	13
170	Boonville, Mo. (See Note 2)	Present	11¾	10	11¾	9	9	10	9	12½	12½
		Act of 1905	8	8	8	8	8	8	8	13	13
		S. Line Rate	7	7	7	7	7	7	7	11	11

*Hydraulic or Portland cement, west bound, 9c.

233	Holden, Mo.	Present	11⅜	10⅜	11⅜	9	10	10	9½	19½	19½
		Act of 1905	9½	9½	9½	9½	9½	9½	9½	16	16
		S. Line Rate	8½	8½	8½	8½	8½	8½	8½	14	14
158	Eldon, Mo.	Present	11¾	10¾	11¾	9	10	10	9½	15	15
		Act of 190-	8	8	8	8	8	8	8	13	13
		S. Line Rate	8	8	8	8	8	8	8	13	13
181	Versailles, Mo.	Present	11⅜	10⅜	11⅜	9	10	10	9½	15	15
		Act of 1905	8½	8½	8½	8½	8½	8½	8½	14	14
		S. Line Rate	8½	8½	8½	8½	8½	8½	8½	14	14
207	Cole Camp, Mo. (See Note 3)	Present	11¾	10¾	11¾	9	10	10	9½	15	15
		Act of 1905	9	9	9	9	9	9	9	15	15
		S. Line Rate	8½	8½	8½	8½	8½	8½	8½	14	14
204	Marshall, Mo. (See Note 4)	Present	11¾	10¾	11¾	9	10	10	9	17½	17½
		Act of 1905	9	9	9	9	9	9	9	15	15
		S. Line Rate	7	7	7	7	7	7	7	11	11
231	Higginsville, Mo. (See Note 5)	Present	11¾	10¾	11¾	9	10	10	9½	19	19
		Act of 1905	9½	9½	9½	9½	9½	9½	9½	16	16
		S. Line Rate	8	8	8	8	8	8	8	13	13
259	Harrisonville, Mo.	Present	14¾	12¾	14¾	12	12	†13	12	20½	20½
		Act of 1905	10	10	10	10	10	10	10	17	17
		S. Line Rate	10	10	10	10	10	10	10	17	17

Distance.	Between Saint Louis, Mo., and—		In cents per 100 pounds.								
			Wheat, car load.	Corn, car load.	Flour, car load.	Lime, car load.	Cement, car load.	Salt, car load.	Lumber, car load.	Agriculture implements, car load.	Furniture, car load.
299	Rich Hill, Mo	Present	14¾	13½	14¾	12	12	†14	13½	†21½	21½
		Act of 1905	10½	10½	10½	10½	10½	10½	10½	18	18
		S. Line Rate	10½	10½	10½	10½	10½	10½	10½	18	18
317	Nevada, Mo. (See Note 6)	Present	14¾	13½	14¾	12	12	†14½	14	†21½	21½
		Act of 1905	11	11	11	11	11	11	11	19	19
		S. Line Rate	10½	10½	10½	10½	10½	10½	10½	18	18
382	Joplin, Mo. (See Note 7)	Present	14¾	13½	14¾	12	12	†12½	12½	22	22
		Act of 1905	12½	12½	12½	12½	12½	12½	12½	22	22
		S. Line Rate	11	11	11	11	11	11	11	19	19
403	Aurora, Mo. (See Note 8)	Present	14¾	12¾	14¾	12	12	†13½	13	†22	22
		Act of 1905	12½	12½	12½	12½	12½	12½	12½	22	12
		S. Line Rate	10	10	10	10	10	10	10	17	17

† Applies west bound only.

5000 EXHIBIT 3.

Between Saint Louis and Joplin.

Commodity.	Present rate.	Proposed rate.	Percentage reduction.
Wheat	14.75 ¢	11 ¢	24%
Other Grain	13.25 "	11 "	19 "
Flour	14.75 "	11 "	24 "
Lime	12 "	11 "	8 "
Cement	12 "	11 "	8 "
Salt	14 "	11 "	21 "
Lumber	14 "	11 "	21 "
Agricultural Implements and Wagons	23 "	19 "	17 "
Furniture	24 "	19 "	21 "
Live stock per 36 ft. car:			
Horses	$61.48	$31.90	48 "
Cattle	46.75	31.90	31 "
Hogs	45.24	31.90	30 "
Sheep, (in double-deck cars)	46.75	31.90	31 "

Between Saint Louis and Aurora.

Commodity.	Present rate.	Proposed rate.	Percentage reduction.
Wheat	14.75 ¢	10 ¢	27%
Other Grain	12.75 "	10 "	21 "
Flour	14.75 "	10 "	27 "
Lime	12 "	10 "	16.6%
Cement	12 "	10 "	16.6 "
Salt	13.5 "	10 "	26 "
Lumber	13 "	10 "	23 "
Implements and Wagons	22 "	17 "	32 "
Furniture	22 "	12 "	45 "
Live stock, per 36 ft. car:			
Horses	$56.84	$29.70	48 "
Cattle	44.00	29.70	32.5 "
Hogs	45.24	29.70	34 "
Sheep, (in double-deck cars).	44.00	29.70	32.5 "

5001 *Between Saint Louis and Nevada.*

Commodity.	Present rate.	Proposed rate.	Percentage reduction.
Wheat	14.75 ¢	10.5 ¢	28.1%
Other Grain	13.25 "	10.5 "	20.8 "
Flour	14.75 "	10.5 "	28.1 "
Lime	12 "	10.5 "	12.5 "
Cement	12 "	10.5 "	12.5 "
Salt	14.5 "	10.5 "	28 "
Lumber	14 "	10.5 "	25 "
Implements and Wagons	21.5 "	18 "	16.2 "
Furniture	21.5 "	18 "	16.2 "
Live-stock, per 36 ft. car:			
Horses	$61.48	$29.70	51 "
Cattle	42.35	29.70	30 "
Hogs	39.15	29.70	24.1 "
Sheep, (in double-deck cars)	42.35	29.70	29.5 "

Between Saint Louis and Higginsville.

Commodity.	Present rate.	Proposed rate.	Percentage reduction.
Wheat	11.75 ¢	8 ¢	32%
Other Grain	10.75 "	8 "	26 "
Flour	11.75 "	8 "	32 "
Lime	9 "	8 "	11 "
Cement	10 "	8 "	20 "
Salt	10 "	8 "	20 "
Lumber	9.5 "	8 "	14 "
Implements and Wagons	19 "	13 "	31 "
Furniture	19 "	13 "	31 "
Live stock, per 36 ft. car:			
Horses	$51.62	$18.70	64 "
Cattle	30.25	18.70	38 "
Hogs	28.71	18.70	35 "
Sheep (in double-deck cars)	30.25	18.70	38 "

5002 *Between Saint Louis and Marshall.*

Commodity.	Present rate.	Proposed rate.	Percentage reduction.
Wheat	11.75 ¢	7 ¢	40%
Other Grain	10.75 "	7 "	35%
Flour	11.75 "	7 "	40%
Lime	9 "	7 "	22 "
Cement	10 "	7 "	30 "
Salt	10 "	7 "	30 "
Lumber	9 "	7 "	22 "
Implements and Wagons	17.5 "	11 "	37 "
Furniture	17.5 "	11 "	37 "
Live-stock, per 36 ft. car:			
Horses	$46.40	$16.50	65 "
Cattle	29.15	16.50	43 "
Hogs	28.71	16.50	42 "
Sheep, (in double-deck cars)	29.15	16.50	43 "

Between Saint Louis and Boonville.

Commodity.	Present rate.	Proposed rate.	Percentage reduction.
Wheat	11.75¢	7¢	40%
Other Grain	10 "	7 "	30 "
Flour	11.75 "	7 "	40 "
Lime	9 "	7 "	22 "
Cement	9 "	7 "	22 "
Salt	10 "	7 "	30 "
Lumber	9 "	7 "	22 "
Implements and Wagons	12.5 "	11 "	20 "
Furniture	12.5 "	11 "	20 "
Live-stock, per 36 ft. car:			
Horses	$41.76	$16.50	60 "
Cattle	29.15.	16.50	43 "
Hogs	26.97	16.50	41 "
Sheep, (in double-deck cars)	29.15	16.50	43 "

5003 *Between Saint Louis and Sedalia.*

Commodity.	Present rate.	Proposed rate.	Percentage reduction.
Wheat	11.75¢	8¢	32%
Other Grain	10.75 "	8 "	26 "
Flour	11.75 "	8 "	32 "
Lime	9 "	8 "	11 "
Cement	10 "	8 "	20 "
Salt	10 "	8 "	20 "
Lumber	9.5 "	8 "	14 "
Implements and Wagons	14.5 "	13 "	11.5%
Furniture	14.5 "	13 "	11.5 "
Live stock, per 36 ft. car:			
Horses	$44.08	$18.70	58 "
Cattle	30.25	18.70	38 "
Hogs	26.97	18.70	30 "
Sheep, (in double-deck cars)	30.25	18.70	38 "

EXHIBIT No. 4.

Sheet 1.

Commodities.	Miles.	Illinois.	Iowa.	Arkansas	Maximum, 1905, Missouri.	Number of cars hauled.	Per cent of total.	
	25	19.60	21.20	20.00	20.00	925	30	
	50	24.40	25.20	24.00	22.00	421=1346	43	100 Miles & Under.
	75	29.20	29.20	32.00	24.00	254=1600	51	
	100	32.00	32.40	36.00	26.00	288=1868	60	
Wheat, per car of 40,000 lbs.....								
	150	36.60	38.00	44.00	30.00	1257		
	200	41.60	43.20	44.00	34.00		40	Over 100 Miles.
	300	48.40	54.12	52.00	42.00	3125		
	400	52.80	64.80	.....	50.00			
	25	17.60	17.72	16.00	20.00	96	35	
	50	22.00	21.00	20.00	22.00	66=162	60	
	75	26.40	24.00	28.00	24.00	55=217	80	100 Miles & Under.
	100	29.20	27.00	32.00	26.00	17=234	86	
Corn, etc., per car of 40,000 lbs.....								
	150	33.60	31.60	36.00	30.00	37		
	200	38.00	36.00	40.00	34.00		14	Over 100 Miles.
	300	43.60	45.00	48.00	42.00	271		
	400	48.00	54.00	.....	50.00			

Flour, per car of 24,000 lbs.....	25	11.76	12.72	14.40	12.00	229	51	100 Miles & Under.
	50	14.64	15.12	19.20	13.20	35=264	59	
	75	17.52	17.52	24.00	14.40	83=347	78	
	100	19.20	19.44	26.40	15.60	35=382	86	
	150	22.08	22.80	26.40	18.00	63 / 445	14	Over 100 Miles.
	200	24.96	25.92	32.80	20.40			
	300	29.04	32.47	36.00	25.20			
	400	31.68	38.81	.....	30.00			
Lime, etc., per car of 30,000 lbs.....	25	13.20	11.43	12.00	15.00	144	12	100 Miles & Under.
	50	16.20	13.53	15.00	16.50	953=1097	94	
	75	18.90	15.60	18.00	18.00	26=1123	96	
	100	21.00	17.55	19.50	19.50	33=1156	99	
	150	23.20	20.55	22.50	22.50	13 / 1169	1	Over 100 Miles.
	200	28.20	23.40	22.50	25.50			
	300	33.00	29.75	27.00	31.50			
	400	37.50	35.10	.....	37.50			
Lumber, Lath, Shingles, per car of 30,000 lbs.	25	13.80	12.42	9.00	15.00	634	51	100 Miles & Under.
	50	17.20	14.70	12.00	16.50	57=691	56	
	75	20.70	16.80	13.50	18.00	62=753	61	
	100	23.40	18.90	15.00	19.50	39=792	64	
	150	27.00	22.20	21.00	22.50	442 / 1234	36	Over 100 Miles.
	200	30.00	25.20	21.00	25.50			
	300	34.20	31.50	36.00	31.50			
	400	36.30	37.80	.....	37.50			

Commodities.	Miles.	Illinois.	Iowa.	Arkansas	Maximum, 1905, Missouri.	Number of cars hauled.	Per cent of total.	
Agricultural Implements, per car of 20,000 lbs.	25	13.00	12.00	24.00	14.00	8	11	100 Miles & Under.
	50	17.40	14.10	36.00	16.00	9=17	24	
	75	20.40	16.00	40.00	18.00	6=23	32	
	100	23.40	18.00	52.00	20.00	5=28	39	
	150	27.20	25.00	60.00	24.00	44	61	Over 100 Miles.
	200	30.40	31.50	66.00	28.00			
	300	34.00	45.00	82.00	36.00	72		
	400	38.20	55.00	.....	44.00			

EXHIBIT No. 4.

Sheet 2.

Commodities.	Miles.	Illinois.	Iowa.	Arkansas	Maximum, 1905, Missouri.	Number of cars hauled.	Per cent of total.	
Cattle & Calves, 36 foot cars, 22,000 lbs....	25	14.30	14.76	11.55	6 60	462	15	100 Miles & Under.
	50	16.94	19.10	13.65	9.90	487= 949	32	
	75	29.14	22.00	16.80	12.10	780=1729	58	
	100	20.90	24.90	19.95	14.30	410=2139	73	
	150	23 76	29.79	24.15	18.70	815	27	Over 100 Miles.
	200	26.62	34.17	30.48	23.10			
	300	32.34	44.57	31.75	31.90	2954		
	400	38.30	50.36	.....	40.70			
Horses & Mules, 36 foot cars, 23,200 lbs....	25	15.62	15.73	12.60	6.60	75	23	100 Miles & Under.
	50	18.70	20 30	16.80	9.90	81=156	49	
	75	21 12	24.64	21.00	12.10	71=227	70	
	100	22 88	29.00	28.20	14.30	44=271	84	
	150	25.96	34.80	33.60	18.70	50	16	Over 100 Miles.
	200	29.26	40.60	37.80	23.10			
	300	35.42	49.30	48.30	31.90	21		
	400	42.02	57.42	.....	40.70			

Commodities.	Miles.	Illinois.	Iowa.	Arkansas	Maximum, 1905, Missouri.	Number of cars hauled.	Per cent of total.	
Sheep & Goats, 36 foot cars, 12,000 lbs., Single Deck.	25	10.08	12.00	9.45	6.60	55	24	100 Miles & Under.
	50	12.72	14.40	10.50	9.90	46=101	43	
	75	14.88	16.80	14.70	12.10	39=140	60	
	100	16.28	19.60	17.88	14.30	46=186	80	
	150	20.52	22.80	22.05	18.70	48 / 232	20	Over 100 Miles.
	200	21.96	26.40	25.20	23.10			
	300	24.00	31.08	31.50	31.90			
	400	26.40	36.60	.....	40.70			
Hogs, 36 foot cars, 17,000 lbs., Single Deck.	25	12.52	11.90	11.55	6.60	298	11	100 Miles & Under.
	50	15 66	14.74	13.65	9.90	821= 819	32	
	75	18.02	17.27	16.80	12.10	809=1628	64	
	100	20.36	18 63	19.95	14.30	259=1887	74	
	150	22.97	21.76	24.15	18.70	640 / 2527	26	Over 100 Miles.
	200	25.75	23.93	30.45	23 10			
	300	28.12	32.30	31.75	31.90			
	400	31.32	35.70	.....	40.70			

	25	15.40	11 81	15.50	15.50			
	50	18.60	13 98	18.60	17.05			
	75	20.70	16.12	21.70	18.60			
	100	22.70	18.13	23.25	20.15			
Salt, per car of 31,000 lbs.....								
	150	26.20	21.24	24.80	23.25			
	200	29.00	24.18	24.80	25.35			
	300	32.40	30.23	37.20	32.55			
	400	35.00	36.27	.....	38.75			
	25	13.20	11.43	18.00	15.00	68	61	
	50	16.20	13.53	21.00	16.50	8=76	69	100 Miles & Under.
	75	18.90	15.60	24 00	18.00	13=89	80	
	100	21.00	17.55	27.00	19.50	5=94	85	
Cement, per car of 30,000 lbs.....								
	150	25.20	20.55	30.00	22.50	17		
	200	28.20	23.40	30.00	25.50		15	Over 100 Miles.
	300	33.00	29 25	39.00	31 50	111		
	400	37.50	35.10	.....	37.50			

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EXHIBIT 5.

Missouri Pacific Railway Company.

Statement Showing Earnings on Special Commodities at Old Rates and as Affected by the New Rates of the Act of 1905.

	1904.	1905.
Earnings on Commodities affected at old rates	$212,677.10	$227,499.77
Earnings on same Commodities at new rates	146,251.91	152,800.09
Decrease in earnings at new rates.	66,425.19	74,699.68
Decrease per cent in earnings	31.23	32.83
Total revenue from all local business in Missouri at old rates, including commodities affected.	1,581,689.11	1,658,527.67
* Total Expenses in local Freight Traffic	1,873,235.66	1,926,714.19
Net earnings from all local Freight Traffic in Missouri at old rates.	Def. 291,546.55	Def. 268,186.52
Net earnings from all local Freight Traffic in Missouri at new rates.	Def. 357,971.74	Def. 342,886.20

*Extra cost of doing local business as compared with interstate business, 50%.

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EXHIBIT 5.

Missouri Pacific Railway Company.

Statement of Earnings.

All figures shown on attached statement of Earnings are Gross, except in so far as allowance has been made for agents' special Credits and Debits and adjustments with Foreign Roads. Bridge and Ferry tolls, Transfer and Refrigerator charges have also been deducted from Earnings figures, as these arbitrary charges are not included in Statement of Expenses.

Switching, Demurrage and Storage (services incidental to freight traffic) show net receipts, all money paid out to Foreign Roads having been deducted from Gross Receipts.

Exhibit 5.

Sheet 3.

The Missouri Pacific Railway Company.

Statement of Earnings and Expenses on Freight Traffic in the State of Missouri for the Years 1904 *and* 1905.

	Earnings, 1904.			Earnings, 1905.		
	Local.	Interstate.	Total.	Local.	Interstate.	Total.
1st January to 31st December, from Freight	$1,562,083.11	$4,075,002.78	$5,635,085.89	$1,632,856.14	$3,777,390.45	$5,410,2—.59
From services incidental to Freight traffic	19,606.00	176,400.02	198,066.02	25,671.53	231.043 79	256,715.32
Gross Freight Earnings	$1,581,689.11	$4,249,462.80	$5,831,151.91	$1,658,527.67	$4,008,434.24	$5,666,961.91

	Expenses, 1904.	Expenses, 1905.
Total Operating Expenses	$4,442,795.51	$4,234,884 00
Taxes	101,225.04	111,601.14
Rentals	26,983.98	26,983.98
Interest on Bonded Indebtedness	657,116.22	657,116.22
Grand Total	$5,228,120.75	$5,030,585.34

Recapitulation.

	1904.	1905.
Gross Freight Earnings	$5,831,131.91	$5,666,961.91
Freight Expenses	5,228,120.75	5,030,585.34
Net Earnings	$603,031.16	$636,376.57

5009 EXHIBIT 5.

Basis Used in Arriving at the Expense of the Lines of the Missouri Pacific Railway Company in the State of Missouri, January 1st, 1904, to December 31st, 1905.

All Operating Expenses incurred within the State of Missouri are included in this statement. Where that portion of the expense applicable to the lines of Missouri cannot be determined, the State of Missouri is charged with its proportion on a track mileage basis.

The expenses are compiled by Divisions, and the method used in arriving at the Freight and Passenger proportion is as follows:

Maintenance of Way and Structures.

The total charge to each Division under this account is divided on a revenue train mileage basis.

Maintenance of Rolling Stock.

All freight and passenger expenses are included under their respective headings; all "common" expense charged to each Division is divided between freight and passenger on a revenue train mileage basis.

Conducting Transportation.

All freight and passenger expenses are included under their respective headings. All Combined Station expense and expense of Mixed Trains are divided three-quarters freight and one quarter passenger. Yard expense—95% freight, 5% passenger. All other expenses common to both classes of service are divided on a revenue train mileage basis.

Loss and Damage.

Expenses under this account are charged direct to freight and passenger when possible; when the class of service responsible for loss or damage cannot be determined the expense is divided on a train mileage basis.

General Expense.

The total charge to each division under this account is divided on a train mileage basis.

5010 EXHIBIT 5.

The Missouri Pacific Railway Company.

Accounting Department.

Expense of Lines in Missouri, Years 1904 *and* 1905.

January 1st to December 31st, 1904.

	Freight.	Passenger.	Total.
Maintenance of Way and Structures....	$525,718.07	$531,677.24	$1,057,395.31
Maintenance of Equipment	997,188.01	199,268.59	1,196,456.60
Conducting Transportation	2,483,447.74	1,130,362.02	3,613,809.76
Loss and Damage—Injuries to Persons..	222,240.31	130,014.64	352,254.95
General Expense, including Agencies and Advertising...	214,201.38	184,553.65	398,755.03
Total Operating Expenses ..	$4,442,795.51	2,175,876.14	6,618,671.65
Taxes	101,225.04	105,356.67	206,581.71
Rentals	26,983.98	28,085.36	55,069.34
Interest on Bonded Indebtedness	657,116.22	683,937.28	1,341,053.50
Grand Total..	$5,228,120.75	2,993,255.45	8,221,376.20

January 1st to December 31st, 1905.

Maintenance of Way & Structures.....	$566,698.60	463,091.73	1,029,790.33
Maintenance of Equipment	781,284.61	366,545.78	1,147,830.39
Conducting Transportation	2,456,909.34	997,832.61	3,454,741.95
Loss and Damage—Injuries to Persons..	177,571.38	131,009.62	308,581.00
General Expense, including Agencies and advertising....	252,420.07	217,159.11	469,579.18
Total Operating Expenses ..	4,234,884.00	2,175,638.85	6,410,522.85
Taxes	111,601.14	116,156.29	227,757.43
Rentals	26,983.98	28,085.36	55,069.34
Interest on Bonded Indebtedness	657,116.22	683,937.28	1,341,053.50
Grand Total..	$5,030,585.34	3,003,817.78	8,034,403.12

5011 Ex. 5*a*.

The Missouri Pacific Railway Company—Accounting Department.

Missouri Maximum Rate Case.

Expense of Lines in Missouri, Years 1904 *and* 1905.

January 1st to December 31st, 1904.

	Freight.	Passenger.	Total.
Maintenance of Way & Structures.....	$525,788.31	$531,774.39	$1,057,562.70
Maintenance of Equipment	976,684.19	191,112.77	1,167,796.96
Conducting Transportation	2,483,447.74	1,130,041.10	3,613,488.84
Loss and Damage—Injuries to Persons..	222,240.31	130,014.64	352,254.95
General Expense, including Agencies and Advertising...	214,201.38	184,553.65	398,755.03
Total Operating Expense ...	$4,422,361.93	$2,167,496.55	$6,589,858.48
Taxes	101.225.04	105,356.67	206,581.71
Rentals	26,983.98	28,085.36	55,069.34
Interest on Bonded Indebtedness	657,116.22	683,937.28	1,341,053.50
Grand Total..	$5,207,687.17	$2,984,875.86	$8,192,563.03

January 1st to December 31st, 1905.

Maintenance of Way & Structures.....	$562,389.09	$458,541.80	$1,020,930.89
Maintenance of Equipment	754,030.36	353,431.51	1,107,461.87
Conducting Transportation	2,456,909.34	997,832.61	3,454,741.95
Loss and Damage—Injuries to Persons..	177,571.38	131,009.62	308,581.00
General Expense, including Agencies and Advertising...	252,420.07	217,159.11	469,579.18
Total Operating Expense ...	$4,203,320.24	$2,157,974.65	$6,361,294.89
Taxes	111,601.14	116,156.29	227,757.43
Rentals	26,983.98	28,085.36	55,069.34
Interest on Bonded Indebtedness	657,116.22	683,937.28	1,341,053.50
Grand Total..	$4,999,021.58	$2,986,153.58	$7,985,175.16

Statement of Earnings and Expenses on Freight Traffic in the State of Missouri for the Years 1904 *and* 1905.

	Earnings, 1904.			Earnings, 1905.		
	Local.	Interstate.	Total.	Local.	Interstate.	Total.
st January to 31st December, from Freight.....	$1,562,083.11	$4,073,002.78	$5,635,085.89	$1,632,856.14	$3,777,390.45	$5,410,246.59
From Services incidental to Freight Traffic.....	19,606.00	176,460.02	196,066.02	25,671.53	231,043.79	256,715.32
Gross Freight Earnings.....	$1,581,689.11	$4,249,462.80	$5,831,151.91	$1,658,527.67	$4,008,434.24	$5,666,961.91

	Expenses, 1904.	Expenses, 1905.
Total Operating Expenses.....	$4,422,361.93	$4,203,320.24
Taxes.....	101,225.04	111,601.14
Rentals.....	26,983.98	26,983.98
Interest on Bonded Indebtedness.....	657,116.22	657,116.22
Grand Total.....	$5,207,687.17	$4,999,021.58

Recapitulation.

	1904.	1905.
Gross Freight Earnings.....	$5,831,151.91	$5,666,961.91
Freight Expenses.....	5,207,687.17	4,999,021.58
Net Earnings.....	$623,464.74	$667,940.33

5013 **Ex. 5a.**

Missouri Pacific Railway Company—Accounting Department.

Missouri Maximum Rate Case.

Statement Showing Earnings on Special Commodities at Old Rates and as Affected by the New Rates of the Act of 1905.

	1904.	1905.
Earnings on Commodities affected at old rates	$212,677.10	$227,499.77
Earnings on same commodities at new rates	146,251.91	152,800.09
Decrease in earnings at new rates.	66,425.19	74,699.68
Decrease per cent in earnings....	31.23	32.83
Total revenue from all local business in Missouri at old rates, including commodities affected	1,581,689.11	1,658,527.67
*Total Expenses on local Freight traffic	1,865,914.31	1,914,625.27
Net Earnings from all local Freight Traffic in Missouri at old rates	Def. 284,225.20	Def. 256,097.60
Net earnings from all local Freight Traffic in Missouri at new rates	Def. 350,650.39	Def. 330,797.28

*Extra cost of doing local business as compared with Inter-State business, 50%.

5014 **Ex. 5b.**

The Missouri Pacific Railway Company.

Statement of Earnings, State of Missouri, Year Ending December 31*st*, 1905.

	Intrastate.	Interstate.	Total.
From Freight	$1,632,856.14	$3,777,390.45	$5,410,246.59
From Switching, Demurrage & Storage..	25,671.53	231,043.79	256,715.32
From Passenger	1,325,234.12	664,426.35	1,989,660.47
From Mail and Express	420,232.53	210,652.52	630,885.05
From Miscellaneous	37,123.16	33,294.91	70,418.07
Total	$3,441,117.48	$4,916,808.02	$8,357,925.50
Rent Earnings (Missouri's ppn. 85% of $69,386.35)			$8,416,978.40
			$8,416,903.90

5015 **Ex. 5c.**

State of Missouri—Maximum Freight Rate Matter.

Missouri Pacific Railway Company.

Summary of Monthly Totals of Freight Earnings in Missouri of the Missouri Pacific Railway for the Year Ended December 31, 1905.

1905.	State freight.	Interstate freight.	Total.
January	$115,403.47	$277,784.20	$393,187.67
February	111,645.58	229,037.78	340,683.36
March	152,809.70	326,660.94	479,470.64
April	129,321.85	276,474.48	405,796.33
May	137,243.27	300,371.50	437,614.77
June	131,709.89	282,492.25	414,202.14
July	158,820.98	340,362.83	499,183.81
August	158,210.23	377,186.09	535,396.32
September	139,446.54	332,920.82	472,367.36
October	146,976.02	351,017.74	497,993.76
November	135,122.70	358,541.07	493,663.77
December	116,145.91	324,540.75	440,686.66
Total	$1,632,856.14	$3,777,390.45	$5,410,246.59

The above detailed figures were taken from the sheets prepared by the Missouri Pacific Railway Company in connection with the Maximum Freight Rate Matter.

5016 EXHIBIT 6.

		Gross earnings, year 1904.	Percentage of gross earnings.	Expense divided on earnings basis.
Intrastate		$1,581,689 11	27.12	$1,417,866.35
Interstate		4,249,462.80	72.88	3,810,254.40
Total		$5,831,151.91	100.00	$5,228,120.75
Intrastate	$1,581,689.11×150% =	$2,372,533.66	35.83	$1,873,235.66
Interstate	4,249,462.80	4,249,462.80	64.17	3,354,885.09
Total	$5,831,151.91	$6,621,996.46	100.00	$5,228,120.75

This is equivalent to it costing 50% more to haul the state freight than it does to haul interstate freight, and reaches the same result if the rule adopted by Mr. Sturgis of the C., B. & Q. Ry. Co. is adopted.

	%	%	%
Intrastate	27.12+×1½ =	40.68	or 35.83
Interstate	72.88−×1 =	72.88	or 64.17
Total	100.00	113.56	100.00

5017

	Gross earnings, year 1905.	Percentage of gross earnings.	Expense divided on earnings basis.
Intrastate	$1,658,527 67	29.27	$1,472,452.33
Interstate	4,008,434.24	70.73	3,558,133.01
Total	$5,666,961.91	100.00	$5,030,585.34
Intrastate.... $1,658,527.67×150% =	$2,487,791.50	38.30	$1,926,714.19
Interstate.... 4,008,434.24	4,008,434.24	61.70	3,103,871.15
Total.. $5,666,961.91	$6,496,225.74	100.00	$5,030,585.34

This is equivalent to it costing 50% more to haul the state freight than it does to haul interstate freight, and reaches the same result if the rule adopted by Mr. Sturgis of the C., B. & Q. Ry. Co. is adopted.

	%	%	%
Intrastate earnings	29.27×1½	=43.90	or 38.30
Interstate earnings	70 73×1	=70.73	or 61.70
Total	100.00	114.63	100.00

5018

Ex. 7.

Amount of Intra-State and Inter-State L. C. L. Freight Handled at Stations on Missouri Pacific Railway Named Hereon.

Stations.	Number of packages.		Weight in tons.		Number of shipments.	
	State.	Inter-state.	State.	Inter-state.	State.	Inter-state.
Howards	918	2,856	7	22	5	7
Colman	105	20	4	1	24	9
Kirkwood	1,965	374	73	19	214	88
Barretts	425	49	12	3	55	10
Valley Park	3,943	217	73	9	71	26
Sherman	238	9	10	9	41	2
Glencoe	927	49	35	4	152	11
Eureka	1,057	94	30	6	154	14
Allenton	607	20	13	1	65	10
Pacific	2,179	104	89	13	401	33
Grays Summit	1,087	9	33	1	139	4
Labadie	873	78	29	3	109	12
Boles	110	....	7	....	24	....
Washington	7,274	1,443	275	106	1,090	640
Dundee	135	29	6	1	29	8
Newhaven	3,819	190	102	24	534	95
Etlah	2,589	5	92	1	505	3
Berger	1,280	41	52	3	220	18
Hermann	5,260	459	206	25	751	125
Gasconade	413	3	14	1	62	2
Morrison	1,612	176	53	6	243	43

Stations.	Number of packages.		Weight in tons.		Number of shipments.	
	State.	Inter-state.	State.	Inter-state.	State.	Inter-state.
Chamois	2,844	120	82	5	362	56
St. Aubert	170	30	5	1	56	2
Bonnot's Mill	3,300	91	104	4	455	46
Osage	2,425	97	96	4	351	30
Elston	467	41	20	2	109	14
Centertown	888	105	39	3	162	24
McGirk's	373	8	14	1	80	4
California	6,789	751	249	43	1,130	270
Clarksburg	752	147	25	5	152	38
Tipton	6,608	341	210	16	731	105
Syracuse	1,697	82	52	4	284	33
Otterville	1,467	94	39	3	244	22
Smithton	650	70	24	5	105	29
Dresden	195	15	6	1	42	10
Lamonte	1,558	120	53	5	239	45
Knobnoster	1,935	229	61	10	356	71
Montserrat	119	16	3	1	32	8
Warrensburg	8,801	2,005	532	95	1,312	500
Centerview	103	5	4	1	26	4
Holden	3,382	440	110	16	480	116
Kingsville	1,148	33	32	1	192	15
Strasburg	1,439	49	38	2	202	15
Pleasant Hill	5,907	1,874	207	84	728	253
Greenwood	845	37	24	1	90	3
Lee's Summit	4,392	672	156	27	583	127
Little Blue	64	19	4	1	17	2
Independence	2,318	1,868	85	86	292	363
Olean	1,353	114	46	4	260	32
Aurora Springs	106	1	5	....	27	1
Bagnell	3,973	202	102	482	595	52
Fortuna	1,734	80	57	2	336	19
Bunceton	3,443	176	114	10	555	72
Mora	406	99	15	2	68	15
Forward	108,467	16,256	3,828	1,176	15,541	3,556
5019						
Brought forward	108,467	16,256	3,828	1,176	15,541	3,556
Cole Camp	3,021	122	111	8	469	43
Lincoln	....	....	....	....	.....	.....
Warsaw	5,433	481	179	19	964	144
Hughesville	1,957	92	48	4	224	40
Houstonia	1,316	165	48	11	206	39
Sweet Springs	5,044	630	181	28	729	162
Concordia	4,099	914	125	20	632	116
Higginsville	3,074	801	113	20	491	117

Stations.	Number of packages.		Weight in tons.		Number of shipments.	
	State.	Inter-state.	State.	Inter-state.	State.	Inter-state.
Lexington	9,846	1,888	323	72	1,708	495
Myrick	372	19	12	1	50	10
Wellington	1,608	150	64	12	302	40
Napoleon	671	42	20	1	139	19
Levasy	526	17	18	1	100	11
Buckner	1,903	326	63	18	199	56
Lake City	193	9	8	....	41	1
Dover	705	27	17	1	117	10
Waverly	5,284	132	81	3	315	33
Grand Pass	476	134	24	3	95	14
Malta Bend	....	....	....	....	....	....
Marshall	8,887	590	197	20	652	109
Naptonville	737	94	26	3	155	25
Nelson	2,788	130	92	4	393	49
Blackwater	2,222	94	79	3	315	25
Woolridge	1,032	18	31	1	152	13
Lupus	....	....	....	....	....	....
Sandy Hook	....	....	....	....	....	....
Marion	291	15	9	1	51	9
Boonville	7,441	736	250	32	873	196
Total	177,393	23,882	5,947	1,462	24,913	5,332
Percent of Intra-State business to Inter-State Business	88%	12%	80%	20%	82%	18%

5020 Ex. 8.

Amount of Intra-State and Inter-State Carload Freight Handled at Stations on Missouri Pacific Railway Named Hereon.

Stations.	Total number cars.		Total number tons.		Number empty cars.	
	State.	Inter-state.	State.	Inter-state.	State.	Inter-state.
Howards	602	771	22,310	21,826	....	...
Colman	572	13	20,520	337	568	9
Kirkwood	114	44	3,113	1,285	38	...
Baretts,	2	6	45	158	....	...
Valley Park	25	12	640	316	....	...
Sherman	67	4	2,111	42	57	2
Glencoe	126	33	3,416	967	106	...
Eureka	6	4	85	83	2	...

Stations.	Total number cars.		Total number tons.		Number empty cars.	
	State.	Interstate.	State.	Interstate.	State.	Interstate.
Allenton	1	1	20	20	1+	1
Pacific	74	11	2,412	77	68	3
Grays Summit	27	50	776	1,530	23	42
Labadie	4	0	98	0	2	...
Boles	3	0	70	0	3	...
Washington	51	52	830	1,325	11	...
Dundee	1	6	30	57	1+	...
New Haven	12	33	191	643	4	13
Etlah	5	0	88	0	5	0
Berger	7	10	200	126	7	8
Hermann	14	31	270	635	10	66
Gasconade	1	1	30	63	....	....
Morrison	7	6	215	64	7	5
Chamois	10	9	272	140	10	3
St. Aubert	....	....	.....	.....	....	....
Bonnot's Mill	20	10	422	143	2	6
Osage	24	25	642	435	20	13
Elston	9	0	208	0	3	0
Centertown	4	3	59	59	....	....
McGirk's	6	0	136	0	4	...
California	46	52	822	859	2	24
Clarksburg	2	9	22	118	2	5
Tipton	46	39	888	512	14	16
Syracuse	12	9	289	103	6	5
Otterville	4	27	67	363	0	11
Smithton	6	11	99	140	0	9
Dresden	13	3	317	28	9	3
Lamonte	13	15	195	219	1	3
Knobnoster	32	14	561	165	20	6
Montserrat	1	8	30	87	1	0
Warrensburg	96	46	1,557	401	14	0
Centerview	21	4	230	34	21	4
Holden	50	24	878	349	0	0
Kingsville	6	3	60	58	2	0
Strasburg	38	7	359	125	2	0
Pleasant Hill	34	34	586	741	....	....
Greenwood	30	7	446	124	8	...
Lee's Summit	100	41	1,198	823	0	...
Little Blue	8	6	83	120	4	0
Independence	216	324	4,410	7,759	....	....
Olean	7	6	129	76	7	2
Aurora Springs	....	....	.....	.....	....	....
Bagnell	5	21	79	464	3	17
Versailles	....	....	.....	.....	....	....
Fortuna	20	18	256	251	14	6
Bunceton	18	38	352	448	....	24
Forward	2,618	1,901	73,122	44,698	1,082	246

Stations.	Total number cars.		Total number tons.		Number empty cars.	
	State.	Inter-state.	State.	Inter-state.	State.	Inter-state.
Brought forward.	2,618	1,901	73,122	44,698	1,082	246
Speed, +with Fortuna	....	....	.....	.....	....	...
Mora	6	3	59	46	6	...
Cole Camp	33	17	697	243	25	...
Lincoln	....	....	.....	.....	....	...
Warsaw	26	24	440	279	6	14
Hughesville	16	43	288	492	6	37
Houstonia	5	28	104	312	....	22
Sweet Springs	74	91	1,649	1,748	....	31
Concordia	47	16	890	303	3	...
Aullville	....	....	.....	.....	....	...
Higginsville	65	78	1,521	1,852	49	18
Lexington	60	85	1,177	1,859	....	...
Myrick	779	176	22,824	4,654	779	176
Wellington	22	5	354	128	8	...
Napoleon	17	4	321	86	13	2
Lavasy	15	....	278	.....	1	...
Buckner	33	4	596	63	....	...
Lake City	21	1	228	32	9	...
Dover	26	5	756	79	22	3
Hodge	....	....	.....	.....	....	...
Waverly	133	5	3,938	94	121	3
Grand Pass	7	6	86	96	1	4
Malta Bend	....	....	.....	.....	....	...
Marshall	76	18	1,925	338	....	...
Naptonville	57	47	1,371	591	15	37
Nelson	21	29	299	341	....	19
Blackwater	14	19	252	202	8	11
Lamine	....	....	.....	.....	....	...
Overton	....	....	.....	.....	....	...
Woolridge	8	3	181	42	....	...
Lupus	....	....	.....	.....	....	...
Sandy Hook	4	7	.....	.....	4	7
Marion	4	7	60	69	4	7
Boonville	99	33	2,188	787	....	17
Total	4,282	2,648	115,604	59,434	2,158	647
Percent of Intra-State business to Inter-State Business	61.8%	32.2%	66%	34%	77%	23%

Form 3092
THE MISSOURI PACIFIC RAILWAY CO.

Local Freight Office, 7th and Poplar

MR. W. C. WATROUS,
Supt. Transportation, St. Louis

ST. LOUIS, MO., Oct 3-1905

MERCHANDISE LOADED Oct 2 1905

Car No.	Car Initial	Weight	Destination
33664	MP	7765	91 St. Louis to Allenton
33663	MP	13899	77½ Gasconade to Osage
7065	ARF	8875	77½ Dundee to Herman
			C.C. Branch
			Cooler Car
7959	MP	10700	77½ Pacific to Washington
13465	JM	22165	77½ Jefferson City
254	HCWU	4745	77½ do Poch
			Lebanon Branch
25056	MP	15460	55½ Boonville Branch
25461	MP	8095	75½ J.C B. and Lex. Branch
			do
9220	ARF	9390	77½ Elston to Smithton
2090	CB	10940	77½ do Boonville
19217	MP	9495	55½ ~~Versailles to Speed~~
4770	NC	5005	77½ Sedalia Mo.
9297		13630	77½ do
9088	ARF	13215	77½ do
33673	MP	7565	do Warrensburg to Lamonte
33671	MP	3775	do Holden to Independence
33670	MP	12870	do Lexington Brand
33065	MP	4160	do Harrisonville to Panama
			do
30112	MP	13675	do Mile to Carthage
2326	CB	7424	77½ do Edwin to Granby
26138	MP	5350	77½ ~~West City to Joplin~~
21459	MP	18846	77½ Nevada to Chetopa
12271	JM	10785	77½ Fort Scott
2107	CB	8215	51½ Joplin
33669	MP	13465	do Iola
19612	JM	16205	51½ Osawatomie to ~~Sugar~~ Jefferson
33667	MP	9110	do ~~Ottawa to~~ Council Grove to Salina
33666	MP	10133	do Roper to Anson Coffeyville Ross & Fleming
33668	MP	19540	do ~~Yates Center to Tolerville~~
31550	MP	18656	51½ Wichita to Kiowa
			Lomax to Topeka
			~~Co. Grove to Baxter~~
28338	MP	8885	v Geneseo to Maize & Ft Berend
19769	JM	12100	51½ Pueblo
			do
15944	MP	14570	51½ Pueblo and D.R.G.
			do
14463	JM	27430	51½ Denver D.R.G.
16316	MP	9335	73½ Grand Ave., Kansas City
31979	MP	5635	do do
19954	JM	18375	51½ do
			do
9016	JM	17826	73½ Kansas City, Mo.
28446	MP	15481	73½ do
18645	JM	16072	51½ do
			do
			Kansas City Connecting Line
			do
13080	MP	21465	73½ A.T. & S.F.
			do
15480	MP	9490	73½ U.P.
			do
3518	NRJ	13290	73½ C.R.I. & P.
			Cooler Car
Total			

Car No.	Car Initial	Weight	Destination
33205	MP	14659	51½ Leavenworth
			do
			Atchison to Greenleaf
25987	MP	14330	55½ Atchison
33674	MP	14620	51½ St. Joseph
			do
			do
			Shannon to Hoew
			Auburn to Papillion
16629	MP	7372	55½ Lincoln Branch
33675	MP	12740	73½ Omaha
31217	MP	11330	51½ do
			do
22368	MP	6100	55½ CBUP
33665	MP	3835	51½ Y Center
33673	MP	14710	193½ Kirkwood
18310	MP	11445	51½ Salt Lake
8085	MP	4135	do Ottawa
18664	JM	10825	51½ Independence Ks
25834	MP	12548	do Colo Spgs.
Total	56 Cars	661063	

CUPPLES STATION.

None

Total

BIDDLE ST. STATION.

Car No.	Car Initial	Weight	Destination
19238	MP	8873	77½ Jefferson City to Smithton
31950	MP	10579	77½ Sedalia to Independence
			Cowdy to Wales
			Nevada to Joplin
			Omaha
			Kan. City
19450	MP	9192	55½ Atchison
20976	MP	15086	77½ Trans Summit
14551	JM	4048	77½ Carthage
Total	5	47778	

Exhibit 3023

Form 3092.

THE MISSOURI PACIFIC RAILWAY CO.

Local Freight Office, 7th and Poplar.

MR. W. C. WATROUS,
Supt. Transportation, St. Louis.

ST. LOUIS, Oct 4-1905

MERCHANDISE LOADED Oct 3 1905

Car No.	Initial	Weight	Destination
22252	MP	14682	71 1/3 St. Louis to Allenton
61578	MKP	14995	71 1/3 Gasconade to Osage
8650	ARJ	12780	do Dundee to Herman
8644	MP	11301	65 1/3 C. Branch
			Cooler Car
18362	IM	18220	77 1/3 Pacific to Washington
33644	MP	24220	77 1/3 Jefferson City
22341	MP	31190	do do Bch
			Lebanon Branch
33643	MP	16330	55 1/3 Boonville Branch
33682	MP	13845	do J.C.B. and Lex. Branch
			do
19048	IM	20445	77 1/3 Elston to Smithton
			do Boonville
33681	MP	9865	55 1/3 ~~Versailles to Speed~~
5833	MP	4865	77 1/3 Sedalia, Mo.
4075	IM	13970	77 1/3 do
31438	MP	25355	do do
30656	MP	7925	do Warrensburg to Lamonte
38576	MP	6225	77 1/3 Holden to Independence
			do
12504	IM	16115	77 1/3 Lexington Branch
			do
7723	MP	8507	do Harrisonville to Panama
			do
34499	MP	11643	do Milo to Carthage
			do Edwin to Granby
15982	MP	3950	do ~~Wall City to Joplin~~
14634	IM	7425	77 1/3 Nevada ~~to Chetopa~~
9756	UCSLD	4980	77 1/3 Fort Scott
12608	UC	8219	77 1/3 Joplin
3112	IM	15105	51 1/3 Iola
25484	MP	9050	do Osawatomie to ~~[illegible]~~ Jefferson
11917	IM	10730	51 1/3 ~~Ottawa to~~ Council Grove to Salina
20184	MP	5395	do Roper to Anson Coffeyville Ross + Flemmay
30487	MP	19695	do ~~Yates Center to Salem~~
20055	MP	16925	do Wichita to Kiowa
18611	IM	40605	51 1/3 Lomax to Topeka
			do ~~Co. Grand to Dexter~~
26689	MP	7820	51 1/3 Genesee to Maize + Gt Bend
31797	MP	16065	do Pueblo
			do
33683	MP	19545	51 1/3 Pueblo and D.R.G.
			do
13805	D+RG	9650	51 1/3 Denver D.R.G.
16280	Cra	12965	73 1/3 Grand Ave., Kansas City
19982	IM	16759	73 1/3 do
33534	MP	21777	73 1/3 do
33709	MP	4835	51 1/3 do
12734	TT	19248	73 1/3 Kansas City, Mo.
22658	MP	9114	do do
33693	MP	24455	51 1/3 do
			do
26717	MP	12785	73 1/3 Kansas City Connecting Line Rad + S.F.
20125	MP	14495	do A., T. & S.F.
8124	Cra	18531	73 1/3 do
77709	BrO	21020	73 1/3 U.P.
			do
			C.R.I. & P.
8756	ARJ	15655	73 1/3 Cooler Car
Total.			

Car No.	Car Initial	Weight	Destination
33685	MP	15936	51 1/3 Leavenworth
			do
33678	MP	5980	51 1/3 Atchison ~~to Greenleaf~~
86540	BrO	10951	73 1/3 Atchison
33686	MP	8894	51 1/3 St. Joseph
			do
			do
			~~[illegible]~~
			~~Auburn to Papillion~~
2102	CB	6355	51 1/3 Lincoln Branch
26997	MP	14493	73 1/3 Omaha
33679	MP	5990	51 1/3 do
			do
33684	MP	11245	51 1/3 CBUP
16672	MP	6390	do Y Antee
19284	MP	5285	do Wichita
8207	MP	15707	193 1/3 Kirkwood
14641	IM	10615	91 1/3 Sherman
31407	MP	11855	do Ottawa
33680	MP	3285	51 1/3 Independence, Ks.
Total.	61 Cars	775942	

CUPPLES STATION.

Car No.	Car Initial	Weight	Destination
11981	IM	8000	51 1/3 Stafford
20075	IM	7000	77 1/3 Jeff City
Total.			

BIDDLE ST STATION.

Car No.	Car Initial	Weight	Destination
33655	MP	8955	55 1/3 Jefferson City to Smithton
33656	MP	14074	do Sedalia to Independence
			Gowdy to Wales
			Nevada to Joplin
			Omaha
			Kan. City
2051	CB	5622	77 1/3 Gray's Summit
33654	MP	7184	55 1/3 Atchison
33657	MP	12960	77 1/3 Dundee
15784	MP	3292	do Carthage
Total	6	54087	

5024

Form 3092.

THE MISSOURI PACIFIC RAILWAY CO.

Local Freight Office, 7th and Poplar.

MR. W. C. WAIROUS,
Supt. Transportation, St. Louis.

ST. LOUIS, Oct 5-1905

MERCHANDISE LOADED Oct 4 1905

Car No.	Car Initial	Weight	Destination
33719	MP	11030	91 1/3 St. Louis to Allenton
28140	CB+Q	10570	77 1/4 Gasconado to Osage
5608	ARJ	11057	77 1/4 Dundee to Herman
			C.C. Branch
			Cooler Car
33039	MP	20440	77 1/4 Pacific to Washington
19258	IM	24450	77 1/4 Jefferson City
25224	MP	5480	do do Rch
			Lebanon Branch
22109	MP	8160	55 1/4 Boonville Branch
38658	MP	9300	55 1/4 J.C.B. and Lex. Branch
			do
7039	ARJ	7635	77 1/4 Elston to Swithton
26542	MP	3705	do do Boonville
33354	MP	8055	55 1/4 ~~Versailles to Speed~~
22919	MP	9090	77 1/4 Sedalia, Mo.
31328	MP	6200	do do
33645	MP	25785	77 1/4 do
34870	DL+W	9076	77 1/4 Warrensburg to Lamonte
20100	IM	4390	77 1/4 Holden to Independence
			do
2356	CB	6458	77 1/4 Lexington Branch
			do
17380	MP	4531	77 1/4 Harrisonville to Panama
			do
33704	MP	14800	77 1/4 Milo to Carthage
			do Edwin to Granby
33703	MP	3515	77 1/4 ~~Fort Scott to Joplin~~
33706	MP	10355	77 1/4 Nevada to Chetopa
33705	MP	11810	do Fort Scott
19169	MP	6970	do Joplin
10377	MK+T	8895	51 1/4 Iola
14974	IM	10745	51 1/4 Osawatomie to ~~Hagan~~ Jefferson
103549	Enr	8380	51 1/4 ~~Ovenmate~~ Council Grove
33718	MP	6770	51 1/4 Roper to Anson
33717	MP	11685	do ~~Yates Center to Toleville~~ Coffeyville Ross + Fleming
33707	MP	16735	do Wichita to Kiowa
12761	IM	8084	51 1/4 Lomax to Topeka
			~~Co. Grove to Baxter~~
28497	MP	10892	51 1/4 Geneseo to Maize + Ft. Read
16471	MP	19618	do Pueblo
			do
12441	C+D	22835	do Pueblo and D.R.G.
			do
16280	MP	23365	do Denver D.R.G.
33721	MP	14840	51 1/4 Grand Ave., Kansas City
33723	MP	17690	73 1/4 do
19926	MP	14825	51 1/4 do
			do
33722	MP	6790	73 1/4 Kansas City, Mo.
31260	MP	7970	do do
270	W+W	14040	51 1/4 do
			do
			Kansas City Connecting Line
			do
33708	MP	18885	73 1/4 A., T. & S.F.
33659	MP	11600	do do
28910	MP	14290	do U.P.
			do
8690	ARJ	4989	73 1/4 C.R.I. & P.
			Cooler Car
Total,			

Car No.	Car Initial	Weight	Destination
33759	MP	11918	51 1/4 Leavenworth
			do
30759	MP	9762	do Atchison ~~to Greenleaf~~
33745	MP	11165	73 1/4 Atchison
33715	MP	12475	do St. Joseph
15674	MP	7735	51 1/4 do
			do
			~~Shannon to Rose~~
33756	MP	11805	51 1/4 ~~Auburn to Papillion~~
33714	MP	22795	72 1/4 Lincoln Branch
16142	MP	12110	51 1/4 Omaha
			do
33758	MP	8965	51 1/4 do CBNP
33716	MP	13365	do N. Center
90944	Enr	17335	19 1/4 Hollywood
33713	MP	8800	77 1/4 Pacific
26660	MP	9895	51 1/4 Salt Lake
13020	IM	7285	51 1/4 Ottawa
15871	MP	9245	do Co Grove
14766	IM	14425	51 1/4 Independence Ks.
Total.			

CUPPLES STATION.

Car No.	Car Initial	Weight	Destination
33743	MP	6500	77 1/4 Jeff City
Total,	1	6500	

BIDDLE ST. STATION.

Car No.	Car Initial	Weight	Destination
12417	IM	12154	77 1/4 Jefferson City to Smithton
33653	MP	14139	do Sedalia to Independence
			Gowdy to Wales
			Nevada to Joplin
			Omaha
			Kan. City
15285	MP	10050	55 1/4 Atchison
33649	MP	12429	51 1/4 Grays Summit
13036	IM	3880	77 1/4 Carthage
Total	5	52652	

Form 3092.

THE MISSOURI PACIFIC RAILWAY CO.

Local Freight Office, 7th and Poplar.

MR. W. C. WATROUS,
Supt. Transportation, St. Louis.

ST. LOUIS, Oct 6-1905

MERCHANDISE LOADED Oct 5 1905

Car No.	Car Initial	Weight		Destination
33739	MP	18206	51½	St. Louis to Allenton
16512	U C	16505	77½	Oasconade to Osage
2573	ARY	9715	77½	Dundee to Herman
26612	MP	2330	77½	C.C. Branch
				Cooler Car
19927	MP	24260	77½	Pacific, to Washington
6910	ARY	32960	77½	Jefferson City
31451	MP	6260	do	do
				Lebanon Branch
12968	IM	5105	55½	Boonville Branch
20190	IM	8175	55½	K.C.B. and Lex. Branch
				do
8618	ARY	7340	77½	Elston to Smithton
94096	C R I & P	14755	77½	do
360	MCOR	16790	55½	~~Vermillion to Speed~~
19956	MP	3771	77½	Sedalia, Mo.
8623	ARY	13653	77½	do
10852	ARY	13455	77½	do
80660	MP	17685	do	Warrensburg to Lamonte
21388	MP	7895	do	Holden to Independence
				do
80482	MP	10665	77½	Lexington Branch
				do
31979	MP	8100	77½	Harrisonville to Panama
				do
20681	MP	7000	do	Milo to Carthage
				do
27313	MP	6970	do	~~Webb City to Joplin~~
20087	ARY	7345	77½	Nevada to ~~Chetopa~~
21108	MP	7875	do	Fort Scott
33712	MP	9030	77½	do
22953	MP	17070	51½	Iola
17296	MP	7195	do	Osawatomie to ~~Wagner~~
33741	MP	9155	51½	~~Ottawa to~~ Council Grove
33734	MP	13914	do	Roper to Anson
33735	MP	9734	do	~~Yates Center to Toronto~~
33737	MP	16997	do	Wichita to Kiowa
12808	IM	18585	51½	Lomax to Topeka
				~~Co. Grove to Baxter~~
26584	MP	8856	do	Genesee to Maize
33747	MP	21075	51½	Pueblo
				do
4713	ORM	27808	51½	Pueblo and D.R.G.
				do
33720	MP	21352	51½	Denver D.R.G.
33431	MP	15670	73½	Grand Ave., Kansas City
66432	MP	11630	73½	do
33761	MP	13444	51½	do
33762	MP	9885	do	do
13516	MKT	10438	73½	Kansas City, Mo.
2143	ZC	11185	73½	do
33763	MP	12100	51½	do
				do
				Kansas City Connecting Line
				do
3745	STARR	14900	73½	A., T. & S.F.
33742	MP	20611	do	do
65161	MP	20324	78½	U.P.
				do
2593	ARY	14995	73½	C.R.I. & P
				Cooler Car
Total,				
5026				

Car No.	Car Initial	Weight		Destination
33731	MP	15580	51½	Leavenworth
				do
33748	MP	8880	do	Atchison to ~~Greenleaf~~
33730	MP	15015	73½	Atchison
33746	MP	10055	51½	St. Joseph
				do
				do
				~~Shannon to Home~~
				~~Auburn to Papillion~~
33740	MP	5570	51½	Lincoln Branch
33729	MP	16885	73½	Omaha
27420	MP	24980	do	do
12469	MP	18650	51½	do
33732	MP	5995	51½	Crowe
33736	MP	6808	do	Olathe
25067	MP	14474	90½	Parkwood
17316	MP	10370	91½	Clarendon
12950	MP	29527	51½	Salt Lake
4052	MP	9405	51½	Ottawa
76811	MP	7760	do	Independence Ks.
27070	MP	5968	51½	Colo Spgs.
Total		62		178385

CUPPLES STATION.

33767	MP	7500	51½	Marion

Total,		1		7500

BIDDLE ST. STATION.

11541	MP	13994	77½	Jefferson City to Smithton
19962	MP	10844	77½	Sedalia to Independence
				Cowdy to Wales
				Nevada to Joplin
				Omaha
				Kan. City
17381	MP	11237	55½	Atchison
28823	MP	17440	77½	Pacific
36393	MP	20023	do	Carthage
Total		5		73588

5026

Form 3092.

THE MISSOURI PACIFIC RAILWAY CO.

Local Freight Office, 7th and Poplar.

MR. W.C.WATROUS,
Supt.Transportation, St.Louis.

ST. LOUIS., MO., Oct. 7, 1905

MERCHANDISE LOADED Oct. 6 1905

Car No.	Car Initial	Weight	Destination
33757	MP	5665	91% St.Louis to Allenton
33751	MP	7605	77% Gasconade to Osage
33738	MP	18070	77% Dundee to Herman
			C.C.Branch
			Cooler Car
33624	MP	16965	77% Pacific to Washington
19356	MP	21965	do Jefferson City
27994	MP	5095	do do Bch
			Lebanon Branch
1731	CBUP	9450	55% Boonville Branch
13266	MP	9845	do J.C.B.and Lex.Branch
			do
9331	ARJ	9425	77% Elston to Smithton
27416	MP	8610	do do Boonville
26267	MP	15130	55% ~~Versailles to Speed~~
25764	MP	1850	77% Sedalia, Mo.
4971	MP	18920	do do
10869	ARJ	18410	77% do
15633	MP	9014	do Warrensburg to Lamonte
21248	MP	16970	do Holden to Independence
			do
17070	MP	16355	do Lexington Branch
			do
309	HCWN	10200	77% Harrisonville to Panama
			do
33772	MP	17110	77% Milo to Carthage
			do
5793	MP	5790	do ~~Webb City to Joplin~~ Edwin to Granby
33774	MP	7050	77% Nevada to Chetopa
33773	MP	6710	77% Fort Scott
33195	MP	10020	do Joplin
31829	MP	4790	51% Iola
16702	MP	10200	do Osawatomie to ~~Wagner~~ Jefferson
20324	MP	4340	do ~~Ottawa to~~ Council Grove to Salina
33776	MP	8150	51% Roper to Anson
33775	MP	3865	do ~~Yates Center to Tolerville~~ Coffeyville Roa + Flemming
33777	MP	18405	do Wichita to Kiowa
4043	IM	17807	51% Lomax to Topeka
			~~Co.Grove to Baxter~~
27119	MP	9185	do Geneseo to Maize + Ft. Bend
8279	IM	13375	51% Pueblo
			do
30277	MP	24525	do Pueblo and D.R.G.
			do
33764	MP	15090	51% Denver D.R.G.
33749	MP	16020	73% Grand Ave., Kansas City
7130	IM	15080	73% do
21459	MP	15495	51% do
			do
28825	MP	17033	73% Kansas City, Mo.
33766	MP	22130	73% do
12860	MP	15895	51% do
			do
			Kansas City Connecting Line
			do
12121	IM	21520	73% A T.& S.F.
15135	MP	15020	73% do
15723	MP	15025	do U.P.
			do
5148	ARJ	6560	73% C.R.I.& P. Cooler Car
Total,			

Car No.	Car Initial	Weight	Destination
28786	MP	10615	51% Leavenworth
			do
26330	MP	7225	do Atchison ~~to Greenleaf~~
26319	MP	24287	73% Atchison
27930	MP	11285	do St.Joseph
26312	MP	5120	51% do
			do
			~~Shannon to Hope~~
			~~Auburn to Papillion~~
33727	MP	3670	51% Lincoln Branch
19204	MP	17612	73% Omaha
94539	MyCH	25842	73% do
25137	MP	8895	51% do
33728	MP	4021	56% CBUP
33737	MP	2395	do Wilcox
28330	MP	4215	195% Hollywood
12107	IM	16691	51% Salt Lake
33765	MP	8335	do Ottawa
14916	IM	12670	51% Independence, Ks.
Total,	59	718609	

CUPPLES STATION.

Car No.	Car Initial	Weight	Destination
33460	MP	7000	77% Sedalia
3079	CB	8000	77% Jeff. City
Total,	2	15000	

BIDDLE ST. STATION.

Car No.	Car Initial	Weight	Destination
3236	KLNW	18359	77% Jefferson City to Smithton
16761	MP	10745	do Sedalia to Independence
			Gowdy to Wales
7050	IM	14642	55% Nevada to Joplin
			Omaha
			Kan.City
20086	MP	6445	do Atchison
204	HCWN	19430	77% Pacific
22821	MP	21181	do Carthage
Total.	6	90202	

Form 3092.

THE MISSOURI PACIFIC RAILWAY CO.

Local Freight Office, 7th and Poplar

MR. W.C.WATROUS,
Supt. Transportation, St.Louis.

ST. LOUIS., MO., Oct 9 1905

MERCHANDISE LOADED Oct. 7 1905

Car No	Car Initial	Weight	Destination
31410	MP	41200	91½ St.Louis to Allenton
8878	SPR	10884	77½ Gasconade to Osage
10512	ARJ	7274	77½ Dundee to Herman
38701	MP	1090	C/C.Branch
			Cooler Car
23425	MP	9355	77½ Pacific to Washington
33644	MP	24085	77½ Jefferson City
38343	MP	5475	73½ do
			Lebanon Branch
31984	MP	857	77½ Boonville Branch
12715	SPR	1792	77½ J.C.B. and Lex. Branch
			do
7957	MP	11010	77½ Elston to Smithton
14485	CRA	13640	77½ do
638	HELM	5273	77½ Versailles to Speed
33791	MP	6430	77½ Sedalia Mo.
10675	ARJ	13770	77½ do
9596	ARJ	21834	77½ do
33788	MP	19785	do Warrensburg to Lamonte
38787	MP	9695	do Holden to Independence
			do
33760	MP	23605	do Lexington Branch
			do
14589	CNO	6240	73½ Harrisonville to Panama
			do
33782	MP	8419	77½ Milo to Carthage
33783	MP	2781	77½ do Elsmere to Quenby
33771	MP	14595	77½ Nevada to Chetopa
33781	MP	6250	do Fort Scott
46397	MP	11734	77½ do
25805	MP	* 7179	51½ Iola Joplin
31826	MP	6375	51½ Osawatomie to Wagner Jefferson
20519	MP	10915	do Council Grove to Salina
33780	MP	5745	51½ Roper to Anson
28622	MP	7425	51½ Coffeyville Ross & Fleming.
3222	SPR	21785	do Wichita to Kiowa
16041	MP	10085	51½ Lomax to Topeka
			Co.Grove to Baxter
12850	SPR	13075	51½ Geneseo to Maize St Bend
33786	MP	20816	51½ Pueblo
33784	MP	20990	do Salt Lake
33785	MP	14710	do Pueblo and D.R.G.
33798	MP	8030	do Colo Springs
21424	MP	14260	do Denver D.R.G.
38793	MP	22420	73½ Grand Ave., Kansas City
14021	SPR	17220	51½ do
			do
			do
2051	CB	3200	73½ Kansas City, Mo.
33793	MP	22200	73½ do
33729	MP	9655	73½ do
27657	MP	22320	51½ do
			Kansas City Connecting Line
25257	MP	* 5875	51½ Atoka F.
33725	MP	18000	73½ A T.& S.F.
27963	MP	13550	do do
33726	MP	19790	do U.P.
25916	MP	11200	51½ do
			C.R.I.& P.
5025	ARJ	5630	73½ Cooler Car
Total,			

Car No	Car Initial	Weight	Destination
30367	MP	20615	73½ Leavenworth
33811	MP		55½ do
33804	MP	* 15555	55½ Atchison to Greenleaf
34324	MP	12329	do Atchison
18257	SPR	16890	73½ Atchison
		11355	55½ St.Joseph
			do
			do
			~~Shannon to Hows~~
			~~Lebon to Poplidon~~
12583	SPR	9361	55½ Lincoln Branch
33778	MP		73½ Omaha
33801	MP	* 4402	55½ do
4486	SPR	5812	55½ Trinidad
17381	MP	10330	55½ C.R.I.& P.
25345	MP	3120	51½ Coffeyville
11434	SPR	5320	51½ Coffeyville
8207	SPR	9400	193½ Coffeyville
33789	MP	3470	193½ Independence
43151	SPR	11940	77½ Neosho
8319	SPR	4300	77½ Neosho
33202	MP	615	51½ Ottawa
2069	CR	13540	51½ Independence Kas
Total,		67 78323	

CUPPLES STATION.

14063	SPR	5000	77½ Washington
27253	MP	8000	77½ Jeff City.
Total,		2 13000	

BIDDLE ST. STATION.

22178	MP	18463	77½ Jefferson City to Smithton
14494	SPR	18567	77½ Sedalia to Independence
			Gowdy to Wales
			Nevada to Joplin
27976	MP	15304	73½ Omaha
27198	MP	15969	do Kan. City
16160	MP	854	77½ Olathe
122	ATSF	11574	77½ Harrisonville
20113	SPR	8817	77½ Georgetown
17866	MP	11313	73½ Sedalia
22785	MP	16452	77½ Lincoln
3223	KCS	6600	77½ Marion
20389	MP	10964	do Carthage
Total,		11 142359	

5028

5022 EXHIBIT No. 8a.

Mr. Ludlam compared the average loading of cars in Missouri with the average loading of the entire system, by taking the statement of cars loaded at various stations, ascertaining the average by dividing the number of tons by the number of cars, without regard to the haul (29 tons per car), comparing that with the "average number of tons per car per mile" as shown in the company's annual report (19.3) which is the number of tons moved one mile divided by the number of cars moved one mile. That such a comparison is absurd is illustrated by the following example:

A train consists of the following cars:

1 car sand,	30	tons	moving	30	miles	=	30	car miles	900	ton miles		
1 " mdse.,	10	"	"	250	"	=	250	" "	2500	" "		
1 " Coal,	40	"	"	30	"	=	30	" "	1200	" "		
1 " Grain,	20	"	"	150	"	=	150	" "	3000	" "		
4	100	"		...			460	" "	7600	" "		

Average number of tons per car..... 25
Average number tons per car per mile..... 16.5

(Here follow Reports of Merchandise Loaded, Missouri Pacific Ry. Co., pages 5023 to 5028.)

5029 EXHIBIT 10.

Missouri Pacific Ry. Co.

Statement of Earnings, Expenses, and Percent of Expenses to Earnings of the Line in Missouri, Years Ending December 31st, 1904, and 1905.

	1904.	1905.
Gross Freight Earnings	$5,831,151.91	$5,666,961.91
Freight Operating Expense (excl. Taxes, Rentals & Interest)	4,442,795.51	4,254,884.00
Total Freight Expense (incl. Taxes Rentals & Interest)	5,228,120.75	5,030,585.34
Percent of Operating Expense to Earnings	76.19	74.73
Percent of Total Expense to Earnings	89.66	86.77

5030 Ex. 11.

Missouri Pacific Ry. Co.—Missouri Maximum Rate Case.

Track Mileage and Expense of Kansas City Terminal Division, Six Months Ending December 31st, 1905.

Track Mileage.

Rock Creek Jct., Mo. to Mo. & Kans. State Line	7.36	Miles
Mo. & Kans. State Line to Ramapo, Kans.	4.56	"
Kansas City & So. Westn. Jct., Mo. to Leeds, Mo	5.00	"
Total	16.92	"

12.36 Miles in Missouri—4.56 Miles in Kansas.

Operating Expenses.

	Freight.	Passenger.	Total.
Maint. of Way & Structures.	$61,956.71	$4,511.44	$66,468.15
Maint. of Equip.	11,358.91	397.82	11,956.73
Condt. Transptn.	315,419.23	23,982.54	359,401.77
Genl. Expense	3,088.98	162.58	3,251.56
Total	$391,823.83	$29,254.38	$421,078.21

5031

EXHIBIT 11a.

Kansas City Terminals.

Statement Showing Total Number of Tons of Freight Destined to or Originating at Kansas City Proper and Handled in the Terminal Yards at Kansas City During the Month of October, 1905.

		Tons.	Percentages.
A (1)	Freight consigned to or from Kansas City, Mo., including Grand Avenue.....	249,526	60.93
	To or from Kansas City, Kansas.....	2,458	.60
	Total so consigned	251,984	61.53
(2)	Of the above, there was consigned to or from the Omaha Division (All Kansas and Nebraska points north of Kansas City) on which Missouri has no haul and is allowed no revenue other than having been credited with any earnings obtained therefrom upon account of switching or demurrage	50,476	12.32
(3)	Of the above there were consigned to or from points on other than the Omaha Division:		
	Kansas City, Missouri	199,050	48.61
	Kansas City, Kansas	2,458	.60
B (4)	Freight passing through Kansas City terminal yards, and not consigned from or to either Kansas City, Missouri, or Kansas City, Kansas	157,516	38.47
(5)	Of the 157,516 tonnage so passing through the terminals not consigned to or from either Kansas City, there passed to or from the Omaha Division, not more than 25%, or	39,379	9.62
(6)	Of the above, Missouri has a haul and is credited with all or its proper proportion of the freight earnings upon all except that consigned to or from one of the Kansas Cities to or from the Omaha Division	359,024	87.68
(7)	Of the above, Missouri gets no freight earnings upon	50,476	12.32
C	Total number of tons handled at Kansas City Terminals	409,500	100.

359,024 Tons are 87.68% of all freight handled at the Kansas City Terminals, and 50,476 Tons are 12.32% of same.

Ex. 12.

Statement of Increase in Revenue on Commodities Affected by the Act of 1905, *Which Were Charged at Lower Rates in the Years* 1904 *&* 1905 *Than Those Set Forth by the Act Named and Which, if Charged at the Full Maximum Rates, Would Have Resulted in an Increase of Revenue to the Mo. Pac. Ry. Co.*

Commodities.	1904. Revenue at old rate.	1904. Revenue at new rate.	1904. Increase.	1904. Percent of increase.	1904. To total incr.	1905. Revenue at old rate.	1905. Revenue at new rate.	1905. Increase.	1905. Percent of incr.	1905. To total increase.
Agris. Impl. &c.....	22.44	26.00	3.56	15.9	0.02	54.63	64.08	9.45	17.3	0.03
Cement.....	620.97	839.00	218.03	35 1	1.3	1,648.71	3,514.10	1,865.39	113.1	7.5
Flour.....	3,649.89	4,163.49	1,513 60	57.1	8.1	3,343.83	5,167.13	1,823.30	54.5	7.4
Grain.....	17,030.23	22,706.98	5,676.75	33.3	32.9	22,984.33	30,518.96	7,534.63	32.8	28.7
Live Stock.....	846.37	966.95	120 58	14.2	0.7	632.01	735.96	103.95	16.4	0.40
Lime.....	5,354.72	14,335.42	8,980.70	167.7	51.9	8,294.48	21,215.90	12,921.42	155.8	52.3
Salt.....	.....	.....	.....	.....	....	20.00	22.50	2.50	12.5	0.01
Lumber, &c.....	2,349.01	3,078.56	729.55	31.	4.3	3,296.36	4,315.19	1,018.81	30.9	3.8
Total.....	28,873.63	46,116.40	17,242.77	59.7	....	40,274.37	65,553.82	25,279.45	62.7	.....
Increase % higher Rate of Act 1905.....			16,244.82	56.3				24,705.62	61.3	
Increase % Minimum Weight...			997.95	3.4				573.83	1.2	

Comparative Statistics, Taken from Interstate Commerce 1904 Report, Railroads in Group VI Comprising North and South Dakotas, in Part Minnesota, Wisconsin, Iowa and Illinois; Group VIII Comprising Missouri, Arkansas, Kansas, Indian Territory, Oklahoma, Part Texas, New Mexico and Colorado.

Territory.	No. of miles of line per 100 sq. mi. of territory.	No. of miles of line per 10,000 inhabitants.	Total mileage.	Single tracks.	Second tracks.	Yard track & sidings.	Locomotives. Pass.	Freight.	Switch.	Unclass'f'd.	Total.	Car Equipment. Pass.	Freight.	Co. service.	Fast freight.	Total.
Illinois	20.75	22.56	11,622.74													
Iowa	17.77	41.34	9,859.23													
Missouri...	11.22	23.23	7,711.05													
Group VI..	.....	.....	47,100.70	47,597.37	3,317.73	14,418.40	1,947	5,444	1,606	23	9,020	6,663	358,412	11,677	559	377,311
Group VIII	.....	.....	29,609.45	29,679.33	269.18	6,649.10	1,081	3,084	754	20	4,939	3,205	157,288	10,409	663	171,565

Assignment of Equipment per 1,000 Miles of Line, by Groups.

Territory.	Locomotives. Passenger.	Freight.	Switching, unclass'f'd.	Cars. Total.	Passenger.	Freight.	Co. service.	Total.
Group VI.....	41	114	34	189	140	7,530	245	7,915
Group VIII.....	36	104	25	166	108	5,299	351	5,758

Assignment of Equipment of Amount of Traffic, by Groups.

Territory.	Pass. carried per passenger locomotive.	Pass. miles per passenger locomotive.	Tons carried per freight locomotive.	Ton miles per freight locomotive.	Pass. per cars per 1,000,000 pass. carried.	Ft. cars per 1,000,000 tons of freight carried.
Group VI.....	56,187	1,957,765	41,448	5,899,909	61	1,558
Group VIII.....	24,732	1,524,540	24,703	4,210,594	120	2,065

Distribution of Employés for the Year Ending June 30th, 1904, by Groups.

Territory.	General administration. Number.	Per 100 miles of line.	Maintenance of way & structures. Number.	Per 100 miles line.	Maintenance of equipment. Number.	Per 100 miles of line.	Conducting transportation. Number.	Per 100 miles of line.	Unclassified. Number.	Per 100 miles of line.
Group VI.....	9,187	20	83,386	175	41,408	87	100,460	211	73	1
Group VIII.....	5,068	17	52,660	177	20,257	68	49,177	166	548	2

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Operating Per Cents for the Year 1904, *by Groups.*

Territory.	Maintenance of way.	Maintenance of equipment.	Conducting transportation.	General expenses.	Unclassified expenses.	Fixed charges.
United States.....	19.51	19.95	56.64	3.85	.05	27.23
Group VI.....	19.81	17.69	58.45	3.95	.10	25.14
Group VIII.....	20.92	18.19	56.27	4.59	.03	28.14

Mileage of Loaded Freight Cars, 1904.

Group VI.....	2,013,274,036
Group VIII.....	859,381,085

	Group VI.	Group VIII.
Gross Earnings per mile.....	$7,746.00	$6,315.00
Operating Expenses per Mi.....	5,104.00	4,238.00
	2,642.00	2,077.00
Other sources.....	435.00	817.00
Total.....	3,077.00	2,394.00
Deductions from Income.....	1,836 00	1,872.00
Net.....	1,241.00	1,022 00
Dividends.....	1,152.00	792.00
Surplus.....	89.00	230.00

Per Cents of Revenue, 1904.

	Group VI.	Group VIII.
Passenger.....	20.49	18.14
Mail.....	2.50	2.18
Express.....	1.62	2.23
Other.....	.78	.24
Freight.....	65.74	62.92
Freight Service.....	.21	.04
From Operation.....	3.33	2.79
Income, Other Sources.....	5.33	11.46
Total.....	100.00	100.00

5035 *Comparative Statement of Average Daily Compensation of Railway Employees for the Year* 1904, *by Groups.*

Territory.	General officers.	Other officers.	General office clerks.	Sta. agents.	Other sta. men.	Eng. men.	Firemen.	Cond't'rs.	Other trainmen.	Mach'n'st.	Carp't'rs.	Other shopmen.	Section foremen.	Other tr'kman.	Sw'g & cross'g tenders & watchmen.	Tel. op't'rs & disp't'rs.	Employees a/c floating equip.	All other employees & laborers.
Group VI.....	13.66	7.59	2.15	1.94	1.66	3.98	2.39	3.65	2.34	2.58	2.24	1.95	1.70	1.45	2.10	2.11	2 05	2.01
Group VIII.....	10.90	5.88	2.13	2.07	1.76	4.28	2.62	3 94	2.50	2.97	2.49	1.99	1.68	1.37	2.12	2 32	2.28	1.76

Statement Showing Amount of Compensation Paid Railway Employees for the Year Ending Jun- 30th, 1904, *by Groups.*

Territory.	General officers.	Other officers.	Gen. office cl'ks.	Station agents.	Other sta. men.	Engine.	Firemen.	Cond't'rs.	Other trainmen.	Machin'st.
Group VI.....	$3,310,462	1,728,124	6,361,128	4,610,245	11,073,025	12,592,389	7,655,542	7,908,420	12,597,549	6,332,565
Group VIII.....	1,743,385	857,230	3,078,788	2,261,022	4,236,608	6,612,688	4,084,737	4,134,932	6,943,125	3,401,969

Statement Showing Amount of Compensation Paid Railway Employees for the Year Ending Jun- 30th, 1904, *by Groups*—Continued.

	Carp'nt'rs.	Other shopmen.	Section foremen.	Other trackmen.	Sw'g & cross'g tendersand watchmen.	Tel. op't'rs and disp'tch'rs.	Employees a/c floating equip.	All other employees.	Total.
Group VI.....	6,875,432	15,967,430	4,587,413	21,691,822	6,607,880	3,719,529	73,765	18,308,688	$152,001,408
Group VIII.....	2,661,568	9,827,348	2,785,830	12,272,877	1,987,576	1,977,500	79,879	8,909,943	77,857,005

Per Cent of Capital Stock Paying No Dividends, per Mile of Line.

Territory.	Per cent.
Group VI.....	54.37
Group VIII.....	87.91

Ex. 14.

Statement of Tonnage of State and Interstate Freight Carried on "Local" Trains Between Points Named.

This information obtained from original way bills in possession of conductors in charge of the "local" trains.

From—	To—	Date.	Train No.	C.L., State, pounds.	C.L., interstate, pounds.	L.C L., State, pounds.	L.C.L., inter-state, pounds.	Total. State, pounds.	Total. Interstate, pounds.	Total No. tons on each train.
Jefferson City...	To Pacific....	Dec. 21/06	92-90	450,700	966,872	26,255	8,197	476,955	975,079	726
Pacific.....	To St. Louis..									
Sedalia.....	Jefferson C'y...	" 19/06	94	174,500	334,340	26,094	.....	200,594	334,340	267
St. Louis.... ...	Pacific	" 17/06	91-93	46,000	156,800	75,078	15,510	121,078	172,310	147
Pacific.....	Jefferson C'y.									
Jefferson City...	Sedalia	" 18/06	95	.....	67,400	40,409	1,025	40,409	68,425	54
Kansas City.....	Sedalia	" 17/06	96	390,328	208,900	288,478	3,976	678,806	212,876	448
Sedalia	Kansas City....	" 19/06	97	70,000	200,600	26,122	6,860	96,122	207,460	120
				1,131,528	1,934,912	482,436	35,568	1,613,964	1,970,480	1,760
				Percentage.	Percentage.	Perc't'g.	Perc't'g.	Perc't'g.	Perc't'g.	Av. No. tons on each train.
				37	63	93	7	45	55	220

Ex. 14.

Statement of Tonnage of State and Interstate Freight Carried on "Local" Trains Between Points Named.

This information obtained from original way bills in possession of conductors in charge of the "local" trains.

From—	To—	Date.	No. train.	C.L., State, pounds.	C.L., interstate, pounds.	L.C.L., State, pounds.	L.C.L., inter-state, pounds.	Total. State, pounds.	Total. Interstate, pounds.	Total No. tons on each train.
Jefferson City...	To Pacific....	Dec. 21/06	92-90	450,700	966,872	26,255	8,197	476,955	975,069	726
Pacific.....	To St. Louis..									
Sedalia	Jefferson City..	" 19/06	94	174,500	334,340	26,094	.....	200,594	334,340	267
St. Louis.....	Pacific.....	" 17/06	91-93	46,000	166,800	75,078	15,510	121,078	172,310	147
Pacific.....	Jefferson City									
Jefferson City...	Sedalia	" 18/06	95	.....	67,400	40,409	1,025	40,409	68,425	54
Kansas City.....	Sedalia	" 17/06	96	390,328	208,900	28,847	3,976	419,175	212,876	316
Sedalia	Kansas City....	" 19/06	97	70,000	200,600	26,122	6,860	96,122	207,460	120
				1,131,528	1,934,912	222,805	35,568	1,354,333	1,970,480	1,630
				Percentage.	Percentage.	Percent-age.	Perc't'g.	Perc't'g.	Percentage.	Av. No. tons on each train.
				37	63	86	14	41	59	204

NOTE.—Trains 92-90—Eighty-eight per cent of inter-state carload business on these trains was picked up at Washington and Pacific, 54 and 32 miles respectively from end of run of 125 miles. 12% 67 miles from end of run.

5038 Ex. 15.

Statement of Tonnage of State and Interstate Freight Carried on Through Trains between Points Named.

This information obtained from original way-bills in possession of conductors in charge of the through trains.

From—	To—	Date.	Train.	State, weight.	Interstate, weight.	Tons.
Kansas City ...	St. Louis.....	Dec. 21/1906	54	75,000	1,717,764	897
St. Louis.....	Kansas City	Dec. 20/1906	51	.....	820,688	410
Kansas City ...	St. Louis.....	Dec. 18/1906	56	66,150	809,617	438
St. Louis.....	Kansas City	Dec. 20/1906	55	66,978	745,906	406
Kansas City ...	St. Louis..	Dec. 20/1906	56	20,000	1,059,698	540
Do.	do.	Dec. 14/1906	64	.....	641,631	321
St. Louis.....	Kansas City	Dec. 15/1906	73	72,742	397,468	235
Do.	do.	Dec. 20/1906	73	241,447	778,362	510
				542,447	6,971,134	8/3,757
				7%	93%	470

5039 Exhibit 16.

File–1103–1/18, S. B. S. "T."

Jefferson City, Mo., *Jan.* 23, '07.

S. B. Schuyler, G/A St. Louis, Mo.

Dear Sir: Mdse. loaded for St. Louis, Kansas City and Local Points during December, 1906:

Car	33929 MP	3365#	Between	Scotts and Sedalia,	Dec. 1st
"	14949 IM	6753	"	Kans. City and Pueblo	" 1st
"	17578 Sou	2805	"	Osage and Pacific	" 1st
"	34077 MP	110	"	Cole Jct. and Lexington	" "
"	57668 NYC	1600	"	Scruggs and Bagnell	" "
"	42377 NP	10799	"	St. Louis	" "
"	629 PLE	750	"	Cole Jct. and Lexington	" 3rd
"	10029 LEW	1580	"	Osage and Pacific	" "
"	11502 IM	449	"	Scruggs and Bagnell	" "
"	40102 SOU	4165	"	Kans. City and Pueblo	" "
"	79729 B&O	7325	"	St. Louis Mo.	" "
"	13758 CGW	7071	"	Scotts and Sedalia	" 4th
"	18381 IM	4315	"	Kans. City and Pueblo	" "
"	16476 MP	5398	"	Osage and Pacific	" "
"	27851 GT	3300	"	Scruggs and Bagnell	" "
"	81936 CGW	1455	"	Cole Jct. and Lexington	" "
"	21338 WLE	4626	"	St. Louis Mo.	" "
"	6412 MP	2065	"	Sedalia Mo.	" 5th
"	6307 MP	410	"	Russellville Mo.	" "
"	5028 IM	605	"	Scruggs and Bagnell	" "
"	11819 IM	1862	"	Scotts and Sedalia Mo.	" "

"	19013 IM	3680	"	Kans. City and Pueblo	"	"
"	54191 IC	370	"	Osage and Pacific	"	"
"	34904 CBQ	1982	"	Cole Jct. and Lexington	"	"
"	45259 B4	6839	"	St. Louis Mo.	"	"
"	31157 CBQ	1000	"	Scruggs and Bagnell	"	"
"	13417 MP,	4080	"	Scotts and Sedalia	"	6th
"	22034 MP,	475	"	Do. Do.	"	"
"	5050 MP,	1900	"	Cole Jct. and Lexington	"	"
"	15108 MP,	1350	"	Scruggs to Bagnell	"	"
"	22962 MP,	1240	"	Osage to Pacific	"	"
"	106 BCL,	3344	"	Kans. City to Pueblo	"	"
"	30961 MP,	1600	"	St. Louis Mo.	"	"
"	11502 IM,	5483	"	St. Louis Mo.	"	"
"	34444 MP,	235	"	Scotts to Sedalia Mo.	"	7th
"	27851 GT,	11408	"	St. Louis Mo.	"	"
"	34554 MP	3995	"	Osage to Pacific	"	"
"	34266 Sou,	3502	"	Kans. City to Pueblo	"	"
"	8829 ART,	1000	"	Cole Jct. to Lexington	"	"
	2678 CEI	4450	"	Scruggs to Bagnell	"	"
"	17787 MP	840	"	Scruggs to Bagnell	"	8th
"	14185 IM	435	"	Scotts and Sedalia	"	"
"	13139 GT	1200	"	Scotts to Sedalia, Mo.	"	"
"	6101 TP	6852	"	Kans. City to Pueblo	"	"
"	11759 IC	13624	"	St. Louis Mo.	"	"
"	2779 CEI	350	"	Osage to Pacific	"	"
"	8793 IM,	990	"	Scruggs to Bagnell	"	"
"	5045 IM,	1000	"	Scruggs to Bagnell	"	10th
"	21157 MP,	260	"	Scotts to Sedalia, Mo.	"	"
"	6160 TStLW	5375	"	St. Louis, Mo.	"	"
"	33052 IC	4565	"	Scruggs to Bagnell	"	10
"	19919 CBQ	3304	"	Kans. City to Pueblo	"	"
"	2518 ART	3255	"	Cole Jct. to Lexington	"	"
"	21441 IC	2558	"	Osage to Pacific	"	"
"	15571 MP	10790	"	Scruggs to Bagnell	"	11th
"	11950 IM	8268	"	St. Louis, Mo.	"	"
"	22861 MP	4224	"	Kans. City to Pueblo	"	"
"	17787 IC	5146	"	Osage to Pacific	"	"
"	32041 CBQ	4610	"	Cole Jct. to Lexington	"	"
"	11790 TP	665	"	Scotts to Sedalia, Mo.	"	"
"	15227 MP	10874	"	Scotts to Sedalia, Mo.	"	12
"	30357 RI	5484	"	Cole Jct. to Lexington	"	"
"	20173 SW	4181	"	Kans. City to Pueblo	"	"

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Car	18734 IM,	2311	Between	Scruggs to Bagnell	Dec.	12
"	30026 MLT	315	"	Osage to Pacific	"	"
"	6123 TP	8648	"	St. Louis Mo.	"	"
"	17395 C&A	9377	"	St. Louis	"	13
"	2668 ART	2691	"	Scruggs and Bagnell	"	"
"	10965 ART	3209	"	Scotts to Sedalia, Mo.	"	"
"	52338 IC	2986	"	Osage to Pacific	"	"

"	5879	MKT	1388	"	Kans. City to Pueblo	" "
"	15429	MKT	1500	"	Cole Jct. to Lexington	" "
"	26916	MP	3432	"	Scotts and Sedalia Mo.	" 14
"	24648	CBQ	7582	"	Scruggs to Bagnell	" "
"	1625	CN	1000	"	Cole Jct. to Lexington	" "
"	27357	MP	8846	"	Osage to Pacific	" "
"	6160	TStLW	5977	"	St. Louis Mo.	" "
"	16501	C&A	6722	"	Kans. City to Pueblo	" "
"	40259	LSMS	1761	"	Scotts and Sedalia, Mo.	" 15th
"	43384	TStLW	447	"	Osage to Pacific	" "
"	19164	IM	1023	"	Scruggs to Bagnell	" "
"	31492	CBQ	6111	"	Kans. City to Pueblo	" "
"	15749	MP	13871	"	St. Louis, Mo.	" "
"	558293	PCo	350	"	Cole Jct. and Lexington	" 17th
"	30820	MP	2325	"	Scruggs to Bagnell	" "
"	27161	MP	1131	"	Scotts to Sedalia, Mo.	" "
"	26123	MP	11212	"	St. Louis, Mo.	" "
"	27882	MP	1445	"	Kans. City to Pueblo	" "
"	25387	MP	1577	"	Osage to Pacific	" "
"	27627	MP	2121	"	Scruggs to Bagnell	" 18th
"	10957	Big4	3595	"	Scotts to Sedalia, Mo.	" "
"	35512	CMStP	1817	"	Kans. City to Pueblo	" "
"	24648	CBQ	7561	"	St. Louis Mo.	" "
"	28428	MP	461	"	Osage to Pacific	" "
"	26265	MP	966	"	Marion Mo.	" "
"	5239	ARL	770	"	Scruggs to Bagnell	" 19
"	34465	St.LSF	315	"	Scotts to Sedalia, Mo.	" "
"	14570	KCS	5673	"	Kans. City to Pueblo	" "
"	12733	PCo	1373	"	Osage to Pacific	" "
"	D40259	LSMS	6451	"	St. Louis, Mo.	" "
"	32259	SW	522	"	Cole Jct. to Lexington	" "
"	3970	IM	3255	"	Scruggs to Bagnell	" 20
"	12308	MP	2139	"	Kans. City to Pueblo	" "
"	15159	MP	9181	"	St. Louis Mo.	" "
"	27821	MP	8885	"	Scotts to Sedalia, Mo.	" "
"	13338	SW	533	"	Marion	" "
"	8831	HP	1758	"	Osage to Pacific	" "
"	64186	CNW	4648	"	Scotts to Sedalia, Mo.	" 21
"	2835	CN	6616	"	St. Louis, Mo.	" "
"	29627	MP	5599	"	Kans. City to Pueblo	" "
"	10767	B4	3342	"	Osage to Pacific	" "
"	73630	CNW	4542	"	Scruggs to Bagnell	" "
"	27187	ATSF	3155	"	Cole Jct. to Lexington	" "
"	4185	IM	945	"	Scruggs to Bagnell	" 22
"	17074	MP	5670	"	Scotts to Sedalia, Mo.	" "
"	34162	MP	3665	"	Kans. City Mo., to Pueblo	" "
"	159	HCA	18797	"	St. Louis, Mo.	" "
"	16481	MP	771	"	Osage to Pacific	" "
"	19725	MP	3655	"	Scruggs to Bagnell	" 24
"	27989	MP	1456	"	Cole Jct. to Lexington	" "

Special Report. —1— Ed 17 LME

FORM C 9-1902-50 M V L

The Missouri Pacific Railway Company,

ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY CO.

Leased, Operated and Independent Lines.

Report of Collections and Charges paid on Freight Forwarded from Sedalia, Mo Station

for Dec, 1906 190

Prepaid Collections on Freight Forwarded.

WAY BILL DATE		STATION BILLED TO	AMOUNT OF FORWARDAGE #	
		Dec-1 1906		
81815	MP	Lexington	33	60
16594	K.	St. Louis	55	43
34266	Sou	Jeff City	120	33
21824	Wab	Independence	183	22
1139	St LRC	Holden	58	00
5056	MKT	"	9	00
23935	KCS	Warrensburg	51	00

Charges Paid and Billed out on Freight Forwarded

WAY BILL DATE		STATION BILLED TO	AMOUNT OF FORWARDAGE #	
		Dec, 4-1906		
54191	QC	Jeff City	73	35
10198	KC Mo	"	46	00
76724	CNW	Hughesville	113	41
84984	B&O	Kans City	23	40
26273	MP	Chamois	7	20
16940	MP	Dresden	53	23
11932	MP	Warrensburg	29	25

16594	V.	St. Louis	55	43
34266	Sou	Jeff City	120	33
21824	Wab	Independence	133	22
1139	St L R Co	Holden	58	00
5056	IMS	✓	9	00
23935	KCS	Warrensburg	51	00
20549	MP	Kans. City	78	37
2343	CW	Tipton	8	00
3 Tons			9 54695	601
		Dec. 2 - 1906		
27634	MP	Hughesville	52	42
71824	Wab	Harrisonville	12	89
34266	Sou	Marshall	14	00
24443	IC.	Warsaw	37	63
		Dec. 3 - 1906		
11055	SRL	St Louis	73	35
27567	MP	✓	197	71
81875	LV	Jeff City	32	30
21122	MP	Lamonte	12	00
18569	IMS	Warrensburg	29	88
19221	IMS	Joplin	18	60
19686	MP	Warsaw	19	87
26372	MP	Cairo	19	57
6004	MP	Holden	11	70
1906	MP	Cole Camp	21	00
5677	C&A	KC	27	16
21122	MP	Warrensburg	60	00
2343	CW	Versailles	42	62
		Dec 4 - 1906		
14138	IMS	Lexington	108	83
81875	LN	Marshall	20	77
43186	RRR	Cole Camp	58	40
14138.	IMS	Lexington		

10798	KCMo	Oldo	46	00
76724	CNW	Hughesville	113	41
84821	B&O	Kans City	23	40
26273	MP	Chamois	7	20
16940	MP	Dresden	53	23
11932	MP	Warrensburg	29	25
13131	IMS	Concordia	39	00
5491	MP	Bagnell	30	10
43530	B4	Sweet Springs	16	16
11759	IC	St Louis	27	77
1335	St L R Co	✓	150	00
21567	MW	Warrensburg	34	00
13212	MP	Kans City	37	41
34926	Q	Princeton	10	20
26906	MP	Warsaw	64	05
67525	MP	Cole Camp	57	96
1602	MRD	St Louis	17	50
84960	CMW	Warrensburg	50	50
		Dec 5 - 1906		
3505	IGN	Versailles	33	55
43530	MP	Higginsville	36	00
4910	St L	Carterton	9	75
7505	IGN	Tipton	11	75
4481	IM	Kans Cy	40	31
14092	NYCH	Syracuse	105	42
12637	MDT	St Louis	73	17
14092	NYCH	Pacific	45	79
11898	IMS	Kans City	131	05
		Dec. 6 - 1906		
19188	IMS	Pacific	41	57
9042	St L S W	St Louis	14	05
13545	St L S F	Kans City	5	66

Read and comply with instructions on back.

FORM C

9-1902-50 M V L

The Missouri Pacific Railway Company,

ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY CO.

Leased, Operated and Independent Lines.

Report of Collections and Charges paid on Freight Forwarded *from* Sedalia Mo *Station*

for December 1906

Prepaid Collections on Freight Forwarded.

Waybill DATE	Waybill Initial	STATION BILLED TO	AMOUNT OF PREPAID Forwardage	
		Dec. 6 - 1906		
95159	CB2	Lexington	109	52
96454	"	Warsaw	141	46
13129	IMS	Tipton	97	95
75564	CM	"	58	66
16889	MP	Higginsville	31	50
0845	"	Jeff. City	42	60
26132	"	Otterstown	21	70
528228	PMCo	Knobnoster	14	80
		Dec 7 - 1906		
17463	C+A	Warrensburg	58	30
25453	MP	Versailles	41	84
25496	MP	Tipton	24	90
34086	SF	Hale	5	30
13180	IMS	Kans City	30	42
61255	DRG	St Louis	77	83
55624	2C	Jeff City	33	51
17820	WC	Otterstown	23	86
9019	2JN	Lamonte	24	40
20453	MP	Versailles	117	15
11017	IMS	Hughesville	1	30
20373	MP	Cole Camp	78	29
11819	IMS	Lexington	35	97
10384	WA	Warsaw	53	00
21162	M+St	Concordia	22	50
34086	St&So	Joplen	6	80
25624	2C	Nelson	37	92
2586	SF	Warsaw	1	50
2373	MP	Cole Camp	92	34

Charges Paid and Billed out on Freight Forwarded

Waybill DATE	Waybill Initial	STATION BILLED TO	AMOUNT OF Forwardage	
		Dec 1906		
26815	MP	Lamonte	76	23
52007	CRIP	Kans City	40	87
2386	MP	Hughesville	74	10
13131	IMS	Concordia	27	00
41490	2C	Jeff City	55	10
69655	MP	Warsaw	44	87
		Dec 9 1906		
		Dec 10. 1906		
1185	IMS	St. Louis	45	10
31476	MP	Warrensburg	31	50
7817	2P	St. Louis	00	00
11180	IMS	Syracuse	67	93
2893	B4	St. Louis	6	50
6307	MP	Jeff. City	16	20
22259	"	Lamonte	21	21
32147	"	Kans. City	18	23
31241	"	Versailles	1	60
13151	"	Lexington	67	09
14185	"	Sweet Springs	11	70
22259	"	Harrisonville	32	50
74132	IMS	Warsaw	89	39
21567	M+W	Cole Camp	77	00
11702	M+St	Versailles	40	00
		Dec. 11 - 1906		
25	MP	Warrensburg	78	00

17465	[illegible]	Warrensburg	[illegible]	[illegible]	31416	[illegible]	Warrensburg	31	00
25453	MP	Versailles	41	84	7817	IP	St. Louis	00	00
20496	MP	Tipton	24	90	11180	IMS	Syracuse	67	93
34086	SF	Hile	5	30	2893	B4	St. Louis	5	50
13180	IMS	Kans. City	30	42	6307	MP	Jeff. City	16	20
61255	DRG	St Louis	77	83	22259	✓	Lamonte	21	21
55624	IC	Jeff City	33	51	32147	✓	Kans. City	18	23
17820	WC	Pettertown	23	86	31241	✓	Versailles	1	60
9019	IGN	Lamonte	24	40	13151	✓	Lexington	67	09
25453	MP	Versailles	117	15	14185	✓	Sweet Springs	11	70
11017	IMS	Hughesville	1	30	22259	✓	Harrisonville	32	50
20373	MP	Cole Camp	78	29	74132	IMS	Warsaw	89	39
11819	IMS	Lexington	35	97	21567	N&W	Cole Camp	77	00
10384	URT	Warsaw	53	00	11702	NC&StL	Versailles	40	00
2162	M&StL	Concordia	22	50					
34086	StLSW	Joplin	6	80			Dec. 11-1906		
25624	IC	Nelson	37	92					
2586	SF	Warsaw	1	50					
2373	MP	Cole Camp	92	34	25017	GT	Warrensburg	73	00
19806	✓	✓	40	97	30184	RI	St. Louis	51	65
					19596	PSE	✓	70	35
		Dec 8-1906			26546	MP	✓	31	56
					25503	MP	Pacific	13	65
12237	CGN	Sweet Springs	22	70	7291	EJE	Jeff City	29	70
26900	StLSW	St Louis	18	93	25080	MP	Tipton	11	25
43632	IMS	Sweet Springs	59	37	21157	MP	Warsaw	25	45
33035	✓	Cole Camp	30	00	25453	MP	Knobnoster	45	46
26824	MP	Warrensburg	64	08	17639	✓	✓	18	00

Read and comply with instructions on back.

5043 ..... Agent.

FORM C

9-1902-50 M V. L.

The Missouri Pacific Railway Company,

ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY CO.

Leased, Operated and Independent Lines.

Report of Collections and Charges paid on Freight Forwarded from Sedalia, Mo Station

for Dec. 1906 1906

Prepaid Collections on Freight Forwarded.					Charges Paid and Billed out on Freight Forwarded				
WAY BILL DATE	No.	STATION BILLED TO	AMOUNT OF PREPAID Tonnage		WAY BILL DATE	No.	STATION BILLED TO	AMOUNT OF CHARGES Tonnage	
		Dec 11 1906					Dec 14-1906		
67525	UP	Kans City	26	25	14302	IMS	Lincoln	17	00
12019	IMS	Versailles	2	25	48491	IC	Warrensburg	44	39
34500	SF	Fortuna	58	45	8270	IM	Knobnoster	16	00
1807	RGW	Lexington	22	70	5170	MP	Warrensburg	7	50
13472	HP	Cole Camp	70	49	32854	PMcL	Kans City	17	80
13758	RGW	Warsaw	58	35	11759	IC	St Louis	24	90
					25345	MP		47	03
		Dec 12 1906			74732	SM	Herman	109	16
					651	MP	Jeff City	22	50
2835	C&W	St Louis	67	84	15562	C&A	Sut Springs	3	50
52338	IC	Jeff City	23	25	17363	IC	Hughesville	95	36
19412	SL&SW	Tipton	20	00	14466	MP	Warsaw	85	22
12007	MP	Dresden	85	98	31971	✓	Cole Camp	49	60
12527	IMS	Knobnoster	17	81	27537	✓	Lincoln	9	43
19806	MP	KC	54	24					
16416	MP	Warsaw	31	17			Dec 15-1906		
30176	✓	Cole Camp	18	00					
30006	MP	St Louis	2	45	15673	C&A	St. Louis	33	87
33396	✓	Lexington	38	29	44605	NyCL	Pacific	17	65
6329	✓	S Springs	20	00	22034	MP	Tipton	130	74
2075	CB	Concordia	54	30	11517	NTL	Lamonte	14	71
					6020	MP	Sopracuse	12	15
		Dec. 13-1906			2385	IGW	Lamonte	20	02
					13472	HP	Kans City	37	19
13335	IMS	St. Louis	152	00	11844	MST	Warsaw	00	00
25229	MP	✓	16	30					
13695	SF	Pacific	44	75			Dec. 16-1906		
6117	MP	Clarksburg	26	50			Dec. 17-1906		
31396	MP	Tipton	54	57					

19806	MP	RL	54	24						
16416	MP	Wausaw	31	17						
30176	"	Cole Camp	18	60						
30006	MP	St Louis	2	45	15673	C&A	St. Louis		33	87
32396	"	Lexington	38	29	44605	N&C	Pacific		17	65
6329	"	Sedalia	20	00	22034	MP	Tipton		130	74
2075	C&A	Concordia	54	30	11517	K&T	Lamonte		14	71
					6020	MP	Syracuse		12	15
		Dec. 13-1906			2385	S&W	Lamonte		20	02
					13472	A&P	Kans City		37	19
13335	I&S	St. Louis	152	00	11844	MoP	Warsaw		00	00
25229	MP	"	16	30						
13695	S F	Pacific	44	75			Dec. 16-1906			
6117	MP	Clarksburg	26	50			Dec. 17-1906			
31396	MP	Tipton	64	57						
13006	"	Rubbaooster	45	50	31849	MP	California		30	00
6491	"	Wheery	15	75	21104	Wab	S. Springs		36	25
21404	F&M	Duncanville	13	50	28538	K&T	Warsaw		83	75
					16178	I&S	Kans City		00	00
		Dec. 14-1906			12738	PCo	Pacific		60	68
					40259	I&S	California		25	50
6352	MP	Sweet Springs	8	85	6412	M	Centertown		20	20
16481	MP	Warsaw	207	58	16248	C&A	Lamonte		55	78
11744	C&L	Cole Camp	100	00	12036	G&RC	Holden		24	60

Read and comply with instructions on back.

5044 ..... Agent.

~~FORM C.~~

9-1902-50 M V. L.

The Missouri Pacific Railway Company,

ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY CO.

Leased, Operated and Independent Lines.

Report of Collections and Charges paid on Freight Forwarded from Sedalia, Mo Station

for December 1906

Prepaid Collections on Freight Forwarded					Charges Paid and Billed out on Freight Forwarded				
Cash Bill. No.	Date	Station Billed to	Amount of Prepaid Forwarding		Cash Bill. No.	Date	Station Billed to	Amount of Charges Forwarding	
		Dec 17-1906					Dec. 20-1906		
38512	CBQ	Kans City	33	49	15749	MP	Warrensburg & Way	20	00
14302	MP	Higginsville	54	32	22259	"	St. Louis	54	95
14620	IMS	Spring Fork & Warsaw	107	23	21214	MP	Pacific & Way	63	57
					175757	C&A	Warrensburg & Way	86	86
5056	IMS	Warrensburg	16	65	5638	IMS	Knobnoster	8	10
					24988	I	Kans. City	59	00
		Dec. 18-1906			6269	MP	Warrensburg	18	00
					31257	MP	Kans. City	103	95
22824	MP	St. Louis	42	12	3133	MC	Versailles	11	53
32259	LN	Pacific	57	91	21214	IC	Bunceton & Tipton	13	25
46958	MP	California	24	50	15416	IW	Lexington & Way	36	80
32754	LN	Tipton	59	40	11928	IMS	Warsaw & Way	90	48
25465	MP	Jeff. City		70	5602	"	Warsaw	4	50
71334	Wab	Otterville	26	45					
26273	UP	Lamonte	11	07			Dec 21-1906		
3314	KCMS	Knobnoster	79	43					
60069	Wab	Kans City	59	44	89954	CMW	St. Louis	37	94
46472	ART	Lexington & Way	19	84	2090	MP	C. L.	00	00
71334	Wab	Lexington & Way	107	16	16481	"	St Louis & Way	57	98
13020	MP	Sweet Springs & Way	43	10	17224	StLSW	California & Way	43	80
86595	PMC	Warsaw	22	60	25465	MP	Tipton	35	10
16481	MP	"	49	73	21478	"	Warrensburg & Way	18	58
6269	MP	Warsaw & Way	33	50	28006	"	"	103	00
					16164	"	Pleas Hills	1	30
		Dec. 19-1906			2784	"	Kans. City	14	93
					14798	IMS	" "	38	33
31852	FRE	St. Louis	21	55	26481	MP	Jeff. City & Way	19	00
11296	MRT	"	33	55	27821	"	Independence & Way	31	43
[illegible]	[illegible]	"	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

25465	MP	Jeff. City		70
71334	Wab	Otterville	26	45
26273	UP	Lamonte	11	07
3314	KCMo	Knobnoster	79	43
60069	Wab	Kans. City	59	44
46472	ART	Lexington & Way	19	84
71334	Wab	Lexington & Way	107	16
13020	MP	Sweet Springs & Way	43	10
86595	PMCJ	Warsaw	22	60
16481	MP	"	49	73
6269	MP	Warsaw & Way	33	50
		Dec. 19-1906		
31852	FRE	St. Louis	21	55
11296	MRT	"	33	55
15443	MKE	"	50	00
2835	FRL	Pacific & Way	112	24
10767	B4	Jeff. City	59	03
27137	MP	Tipton	30	00
22767	"	Warrensbg & Way	54	10
34923	MP	" "	13	50
72992	MP	Kans. City	62	30
17074	MP	Lexington & Way	32	21
30137	MP	Warsaw & Way	93	37
5056	GMS	Cole Camp & Way	20	35

5602	"	Warsaw	4	50
		Dec 21-1906		
89954	CMW	St. Louis	37	94
2090	MP	C. L.	00	00
16481	"	St Louis & Way	57	98
17224	StLSW	California & Way	43	80
25465	MP	Tipton	35	10
21478	"	Warrensburg & Way	18	58
28006	"	"	103	00
16164	"	Pleas Hills	1	30
2784	"	Kans. City	14	93
14798	GMS	" "	38	33
26481	MP	Jeff. City & Way	19	00
27821	"	Independence & Way	31	43
19164	GMS	Carthage Mo.		95
34463	StLSW	Warsaw	21	25
5020	SJ & EJ	Jeff. City & Way	135	32
16483	MP	Warsaw & Way	1185	2
13473	IC	Cole Camp & Way	34	05
		Dec. 22-1906		
19256	MP	St Louis	37	25
46412	OHO	"	75	86
6152	NC&Std	Tipton	44	00

Read and comply with instructions on back.

5045 ..... Agent.

FORM C

9-1902-50 M. V. L.

The Missouri Pacific Railway Company,

ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY CO.

Leased, Operated and Independent Lines.

Report of Collections and Charges paid on Freight Forwarded from Sedalia, Mo Station

for December 1906

Prepaid Collections on Freight Forwarded.

WAYBILL DATE	WAYBILL Initial	STATION BILLED TO	AMOUNT OF PREPAID	
		Dec 22-1906		
78372	CM&SP	Warrensburg + Way	96	72
64186	CNW	Kans City	95	30
97797	CNW	Lexington + Way	40	16
15433	C+A	Lincoln + Way	26	75
5602		Warsaw	4	50
15933	IM&S	Colecamp + Way	35	27
		Dec 23-1906		
		Dec 24 1906		
10780	SRL	St Louis	26	24
5638	IM&S	California	2	40
6269	MP	Warrensburg + Way	30	10
		Dec 25 1906		
30137	MP	St Louis	19	60
14284	C+A	Osage + Way	63	17
19867	MP	Valley Park + Way	185	40
20146	IM&S	Warrensburg + Way	38	67
27137	MP	Kans City	40	45
26559	MP	Lexington + Way	52	42
12887	"	Sweet Springs	4	00
34926	MP	Colecamp	86	10
		Dec 26 1906		
54017	2C	St Louis	31	75
82901	NE&SL	"	4	50

Charges Paid and Billed out on Freight Forwarded

WAYBILL DATE	WAYBILL Initial	STATION BILLED TO	AMOUNT OF CHARGES	
		Dec 26 1906		
21478	MP	Colecamp + Way	74	76
25644	MP	Warsaw "	24	44
		Dec 27 1906		
3192	MP	St Louis	44	36
535124	PCC&StL	Jeff City	11	63
23249	M	Clarksburg + Way	118	25
12439	IM&S	Joplin		50
94678	PRR	Kansas City	93	00
21391	MP	Tipton	47	82
19735	"	Lamonte + Way	11	80
280	"	Warrensburg	2	70
86585	AR.T.	Kans City	80	88
25760	MP	" "	9	19
34545	MP	Sweet Springs + Way	49	03
22362	"	"	28	00
1080	C&S	Nevada	14	70
11214	IM&S	Warsaw + Way	37	41
1220	IM&S	Colecamp	16	87
		Dec 28-1906		
14916	M/K/T	St Louis	36	50
109385	Erie	Pacific + Way	42	52
25877	2C	California	20	10
31396	MP	Warsaw + Way	56	23
78190	C&O	Lee Summit	4	00
21490	MP	Kans City	31	57

6284	MP	Harrisburg	30	10	14766	"	Lawrence & Way	11	80
					280	"	Warrensburg	2	70
		Dec 25 1906			86585	AR J	Kans City	80	88
					25760	MP	" "	9	19
30137	MP	St Louis	19	60	34545	MP	Sweet Springs & Way	49	03
14284	C&A	Osage & Way	63	17	22362	"	"	28	00
19867	MP	Valley Park & Way	185	40	1080	C25	Nevada	14	70
20146	MS	Warrensburg & Way	38	67	11214	IMS	Warsaw & Way	37	41
27137	MP	Kans City	40	45	1220	IMS	Colecamp	16	87
26559	MP	Lexington & Way	52	42					
12887	"	Sweet Springs	4	00			Dec 28-1906		
34926	MP	Colecamp	86	10	14916	M/K T	St Louis	36	50
					109385	Erie	Pacific & Way	42	52
		Dec 26 1906			25877	2C	California	20	10
					31396	MP	Warsaw & Way	56	23
54017	2C	St Louis	31	75	78190	C&O	Leeg Summit	4	00
8290	NeSt	"	4	50	21490	MP	Kans City	31	57
11938	MP	Warsaw	117	00	76600	CMStP	Sgot Spg & Way	41	25
14663	B+	Pacific & Way	22	09	53816	NYC	Lexington &	99	33
31102	MP	California	54	60	17788	C&O	Warsaw & Way	13	90
5056	IMS	Jefferson & Way	25	95	22362	MP	Lincoln & Warsaw	162	83
726	AR J	Edmonte & Way	37	05					
13618	MP	Warrensbg "	25	90			Dec 29 1906		
41392	2MS	Kans City	47	45	2385	2YU	Jeff City	35	00
16400	MP	Tipton	86	14	30756	P2E	St Louis	41	74
12881	MP	Lexington & Way	32	60	36273	MP	Clarksburg & Way	17	22
16198	"		69	88	6117	MP	Otterville	7	10

Read and comply with instructions on back.

5046 ..... Agent

FORM C

9-1902-50 M V L

The Missouri Pacific Railway Company,

ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY CO.

Leased, Operated and Independent Lines.

Report of Collections and Charges paid on Freight Forwarded from Sedalia Mo Station

for December 1906

Prepaid Collections on Freight Forwarded.

WAY BILL DATE	WAY BILL Initial	STATION BILLED TO	AMOUNT OF PREPAID Freight	
		Dec 29-1906		
12788	MP	Lamonte & Way	85	82
4185	Sou	Warrensburg	13	70
27819	MP	Kans City	70	65
32376	MP	" "	2	20
35467	CRI	Sweet Springs & Way	27	10
11472	IMS	Sweet " "	19	37
36273	MP	Easton	5	46
20291	IMS	Collaway & Way	102	05
		Dec 30-1906		
		Dec. 31-1906		
17778	CJW	St Louis	39	90
12458	MDT	" & Way	251	47
41410	Sou	Warrensburg & Way	436	19
25284	MP	" "	50	23
16400	MP	Kans. City	51	05
31368	"	Lexington & Way	34	26
55761	MyC	Wadsworth & Way	94	92

Charges Paid and Billed out on Freight Forwarded

WAY BILL DATE	WAY BILL Initial	STATION BILLED TO	AMOUNT OF Freight

Shows tonnage handled at the Freight house platform

Dec 30 - 1906
Dec. 31 - 1906

17778	CSW	St Louis	39	90
12458	MDT	" & Way	251	47
41410	Sou	Warrensburg & Way	436	19
25284	MP	" "	50	23
16400	MP	Kans. City	51	05
31368	"	Lexington & Way	34	26
55761	NYC	Wargaw & Way	94	92

Shows tonnage handled at the Freegat house platform

Read and comply with instructions on back.

U A Mehoffy Agent.

5047

"	4338 TStLW	851	"	Scotts to Sedalia, Mo.	"	"
"	9925 C&O	6141	"	St. Louis, Mo.	"	"
"	26273 MP	3677	"	Kans. City to Pueblo	"	"
"	18112 MP	3971	"	Scruggs to Bagnell	"	26
"	73530 CN	2112	"	Cole Jct. to Lexington	"	"
"	25760 MP	275	"	Scotts to Pacific Mo.	"	"
"	9504 SW	6921	"	St. Louis, Mo.	"	"
"	14248 MP	4365	"	Osage to Pacific	"	"
"	20755 MP	4719	"	Kans. City to Pueblo	"	"
"	35877 IC	1666	"	Scotts to Sedalia, Mo.	"	27
"	14702 IM	360	"	Scruggs and Bagnell	"	"
"	23521 StLSF	2766	"	Cole Jct. to Lexington	"	"
"	17143 MP	711	"	Kans. City to Pueblo	"	"
"	97797 PRR	380	"	Osage to Pacific	"	"
"	3600 IGN	9145	"	St. Louis, Mo.	"	"
"	54486 NYC	2315	"	Osage to Pacific	"	28
"	11952 SW	3888	"	Scruggs to Bagnell	"	"

5041

Car	52544 IC,	1520	Between	Scotts to Sedalia, Mo.	Dec.	28
"	15246 MKT	7477	"	St. Louis, Mo.	"	"
"	45352 CMStP	4461	"	Kans. City, Mo.	"	"
"	17488 MP	1580	"	Cole Jct. to Lexington	"	"
"	12834 IM	2290	"	Scotts to Sedalia, Mo.	"	29
"	D80 LSMS	1100	"	Osage to Pacific	"	"
"	19485 MP	6329	"	Kans. City to Pueblo	"	"
"	19769 IM	4813	"	St. Louis, Mo.	"	"
"	34733 StLSF	210	"	Scruggs to Bagnell	"	"
"	18654 IM	2355	"	Osage to Pacific	"	"
"	29099 MP	4125	"	Scruggs to Bagnell	"	31
"	36960 StLSF	7165	"	St. Louis, Mo.	"	"
"	5056 IM,	1747	"	Scotts to Sedalia, Mo.	"	"
"	3195 KCNW	3307	"	Kans. City Mo.	"	"

Yours truly,

J. B. QUINLAN, *Agent.*

(Here follows report of collections and charges, marked pages 5042 to 5047.)

5048 EXHIBIT 18.

Answer to Question Asked by Mr. Kennish During Cross-examination of D. C. Buell in Missouri Maximum Rate Case, February 2, 1907.

Question was: Assuming state earnings for 1905 to be $1,632,856.14, interstate earnings, same year, $3,777,390.45, and that the cost of both was $4,999,021.58, if it costs three times as much in proportion to the revenue to do all the state business as to do all the interstate business, how much would the rates on state traffic have to be increased in order that the Company should receive a profit on the State business?

Also answer the question, assuming it cost six times as much in proportion to the revenue to do state business as to do interstate business.

(1) Your question assumes that

State earnings are.....	$1,632,856.14	or	30.18%
Interstate " "	3,777,390.45	or	69.82%
Total " "	$5,410,246.59	or	100.00%
Total Expenses "	4,999,021.58		

(2) On the basis of its costing three times as much to do all the state as to do all the interstate business, the result is:

30.18 x 3	equals 90.54	equals	56% of all expenses
69.82 x 1	" 69.82	"	44% of all expenses
	160.36		

56% of $4,999,021.58 equals.....	$2,799,452.08
State earnings	1,632,856.14
Loss of	1,166,595.94

So that to make up this loss by additional rates they should be increased $1,166,595.94.

(3) On the basis of its costing six times as much to do all the state as to do all the interstate business, the result is:

State of Missouri—Maximum Freight Rate Matter. Missouri Pacific Railway Company.

Statement of Missouri's Proportion of the Freight Earnings of the Missouri Pacific Railway Company; also Tons One Mile, etc., Month of October, 1905.

Character of freight.	(1) Number of tons.	(2) Percentage of total tons.	(3) Revenue (gross).	(4) Percentage of total revenue.	(5) Average amount received per ton.	(6) Number of tons one mile.	(7) Percentage of total ton miles.	(8) Average amount received per ton per mile (cents).	(9) Average length of haul (miles).
Interstate:									
1. Carload	442,261	72.44	$305,905.31	60.15	$ .6917	45,884,346	81.47	.6667	104
2. Less-than-carload	17,240	2.82	71,799.59	14.12	4.1647	2,561,335	4.55	2.8032	148
3. Total Interstate	459,501	75.26	$377,704 90	74 27	$ .8220	48,445,681	86.02	.7796	105
State:									
4. Carload	141,640	23.20	$82,813.92	16.29	$ .5847	6,804,832	12 08	1.2170	48
5. Less-than-carload	9,393	1.54	48,023.64	9.44	5.1125	1,068,074	1.90	4.4963	114
6. Total State	151,033	24.74	$130,837.56	25.73	$ .8663	7,872,906	13.98	1.6619	52
7. Total Interstate and State	610,534	100.	$508,542.46	100.	$ .8329	56,318,587	100.	.9030	92
8. Total Carload	583,901	95.64	$388,719 23	76.44	$ .6657	52,689,178	93.55	.7378	90
9. Total Less-than-carload	26,633	4.36	$119,823.23	23.56	$4.4990	3,629,409	6 45	3.3015	136

10.	Ratio of Revenue per ton per mile on Less-than-carload Interstate freight to Less-than-carload State Freight	62.34%
11.	" " " " Carload Interstate freight to Carload State Freight	54.78%
12.	" " " " " " Less-than-carload Interstate freight	23.78%
13.	" " " " " State freight to Less-than-carload State Freight	27.07%
14.	" " " " " Interstate freight to Less-than-carload State Freight	14.83%
15.	" " " " all Interstate freight to all State freight	46.91%
16.	" " " " all Carload freight to all less-than-carload freight	22.34 %

5050 EXHIBIT No. 19*a*.

If the live stock Business in and out of Missouri to and from the Kansas City Stock Yards had been treated as the Company treats, or as State Business, the following percentages would appear instead of as set out in Exhibit 19.

	State.	Interstate.
Percentage of Tonnage	25.66%	74.34%
" " Revenue	27.78%	72.22
" " Ton Miles	14.72	85.28

5051 EXHIBIT 19*b*.

Review of State Exhibit 19.

(*a*) Exhibit 19 purports to be a statement of tonnage, ton miles and freight earnings (except switching and demurrage) for October, 1905. Exhibit 5*c* is a statement of actual state and interstate earnings, exclusive of switching and demurrage for each month of the year 1905. This statement is made for the purpose of showing that every figure found in Exhibit 19 for some reason or another, must be incorrect, and hence, as Exhibit 19 is used as a basis of all their figures given by the state experts as to the claim of net earnings, they are thereby shown to be upon a wrong basis.

(*b*) Exhibit 5*c* shows that for October such freight earnings were 9.2% of those for the entire year, which would make a multiple of about 10.5 to make October, 1905, represent the business for the entire year of 1905.

(*c*) Comparing the October earnings as between Exhibits 19 and 5*c* there is this result:

	Interstate.	State.	Total.
Exhibit 19	$377,704.90	$130,837.56	$508,542.46
Exhibit 5*c*	351,017.74	146,976.02	497,993.76
Difference	—$26,687.16	+$16,138.46	—$10,548.70

Exhibit 19 as a whole has, therefore, $10,548.70 more than was actually earned as shown by Exhibit 5*c*, for the month of October, 1905, and using the multiple of 10.5 for the year $110,761.35. Its interstate earnings as shown by Exhibit 19 exceed those actually made as shown by Exhibit 5*c* $26,687.16 for the month, and using the same multiple, for the year $280,215.18. The state earnings for the month as shown by Exhibit 19 are $16,138.46 less than the actual earnings for the month, and using the same multiple
5052 for the year $169,453.83 less.

(*d*) Exhibit 19 shows that 86.63 cents per ton was received for all state freight. If this were correct, to ascertain the number of tons of state freight actually hauled, it would only be necessary to

divide the revenue actually received from the state freight (Ex. 5c) by the sum thus received per ton. There was actually received for state freight (Ex. 5c) in October, 1905, $146,976.02. This divided by .8653, the amount received per ton (Ex. 19) makes the total for the month 169,659 tons, or 18,626 more than shown by Exhibit 19. The excess for the year, using the same multiple of 10.5 being 195,573 tons. The interstate tonnage ascertained in the same way is 427,029 as shown by dividing the interstate earnings (Ex. 5c), $351,017.74, by .8220 (Ex. 19), making 32472 tons less hauled in October, 1905 than shown in Exhibit 19; and, using the same multiple for the year, 340,956 tons. The total tonnage thus shown to be hauled, interstate 427,029 and state 169,659, equals 596,688 tons for the month, as against 610,534 shown by Exhibit 19, or a total difference for the month of 13,846 tons and for the year, using the same multiple, 145,383 tons.

(e) The same result follows as to tons per mile. Exhibit 19 shows the earnings per ton per mile were, interstate .7793 cents and state 1.6619 cents. To ascertain the number of ton miles, if the average amount received be as stated in Exhibit 19, the actual earnings as shown by Exhibit 5c should be divided by these percentages. When this is done, this is the result: Actual state earnings for October, 1905, Exhibit 5c, $146,976.02; divided by 1.6619, the amount received per ton per mile (Ex. 19), makes the state ton mile 8,843,855, or 970,949 ton miles for the month more than as shown by
5053 Exhibit 19; and, using the same multiple, for the year 10,194,964. Actual interstate earnings for October, 1905 (Ex. 5c), $351,017.74, divided by .7796, the amount received per ton per mile (Ex. 19) makes the total interstate ton miles for the month 45,025,364, or 3,420,317 ton miles less than the 48,445,681 shown by Exhibit 19. This, using the same multiple, would make for the year 35,913,328 ton miles less. The total state, 8,843,855, and interstate ton miles, 45,025,364, thus ascertained equal, 53,869,219, which, as against 56,318,587 shown by Exhibit 19, makes a deficit for the month of 2,449,368; and using the same multiple, for the year, 25,718,364.

Every exhibit submitted by the state for the purpose of showing the net earnings, used as a basis the ton miles and the amount received per ton per mile as shown by Exhibit 19, and this exhibit is prepared with a view of showing the absolute uncertainty and inaccuracy thereof in every respect, even upon the state's own theory.

5054 EXHIBIT 20.

State of Missouri—Maximum Freight Rate Matter.

The Missouri Pacific Railway Company.

Statement of Tonnage of Carload Freight (on a Ton-Mile Basis) Handled in Missouri by the Missouri Pacific Railway as a Result of Way Bills Made on October 1, 2, and 3, 1905.

Character of freight.	Total tons one mile.	Percentage of total ton-miles.
"Through" Interstate	1,358,754.038	37.021
"Second Class" Interstate	1,763,755.049	48.056
Total Interstate	3,122,509.087	85.077
State	547,726.027	14.923
Total Interstate and State	3,670,235.114	100.

5055 EXHIBIT 21.

State of Missouri—Maximum Freight Rate Matter.

Statement of Gross Earnings, Maintenance of Way and Structures and Maintenance of Equipment, Expenditures Per Mile of Line Operated of All Railroads in the United States for the Eleven Years Ended June 30, 1904, Showing Increase in Each of the Different Items During the Ten Years Ended that Date.

Year.	Per mile of line operated. Gross earnings.	Maintenance of way and structures.	Maintenance of equipment.
1894	$6,109.00	$817.61	$642.35
1895	6,050.00	809.41	643.52
1896	6,320.00	876.53	738.77
1897	6,122.00	861.11	671.41
1898	6,755.00	931.54	769.00
1899	7,005.00	952.98	804.09
1900	7,722.00	1,088.32	945.12
1901	8,123.00	1,173.51	981.56
1902	8,625.00	1,241.16	1,066.71
1903	9,258.00	1,297.58	1,171.90
1904	9,306.00	1,231.26	1,259.52
Increase in Ten years.	$3,197.00	$413.65	$617.17
Percentage of Increase	52.33	50.59	96.08

5056 EXHIBIT 22.

State of Missouri—Maximum Freight Rate Matter.

The Missouri Pacific Railway Company.

Statement Showing the Number of Miles of Railroad Per One Hundred (100) *Square Miles of Territory and Per Ten Thousand* (10,000) *Inhabitants in Certain States, with Population Per Mile of Road, at June* 30, 1904.

States.	Number of miles of line per 100 square miles of territory.*	Number of miles of line per 10,000 inhabitants.*	Population per mile of road.
Arkansas	7.78	29.44	339
Indiana	19.26	25.75	389
Illinois	20.75	22.56	443
Iowa	17.77	41.34	242
Kansas	10.79	56.09	178
Minnesota	9.86	41.75	239
Missouri	11.22	23.23	431
Michigan	15.08	33.48	299
Nebraska	7.58	51.10	196
Ohio	22.56	20.70	483
South Dakota	3.97	71.01	141

*The figures in these columns are taken from the Statistical Report of the Interstate Commerce Commission for the year ended June 30, 1904. The population per mile of road as based on the figures submitted in the same report.

5057 EXHIBIT 23.

State of Missouri—Maximum Freight Rate Matter.

Revenue Per Ton Per Mile (in Cents) Under the Rates Fixed by the Act of 1905.

Distance (miles).	Horses and mules.	Cattle and calves.	Hogs, single deck.	Sheep, single deck.	Sheep, double deck.	Agricultural implements, furniture, and wagons.	Grain, flour lime, salt, cement, water lime, stucco, lumber, lath, and shingles.
25	2.27	2.40	2.62	4.52	2.40	5.60	4.00
50	1.70	1.80	2.27	3.40	1.80	3.20	2.20
75	1.39	1.46	1.84	2.90	1.46	2.40	1.60
100	1.28	1.30	1.64	2.46	1.30	2.00	1.30
125	1.13	1.20	1.51	2.27	1.20	1.76	1.12
150	1.07	1.13	1.43	2.14	1.13	1.60	1.00
175	1.02	1.08	1.37	2.05	1.08	1.48	.91
200	.99	1.05	1.32	1.99	1.05	1.40	.85
225	.96	1.02	1.29	1.93	1.02	1.33	.80
250	.94	1.00	1.26	1.89	1.00	1.28	.76
275	.93	.98	1.24	1.86	.98	1.23	.72
300	.91	.96	1.22	1.83	.96	1.20	.70
325	.90	.95	1.20	1.80	.95	1.16	.67
350	.89	.94	1.19	1.78	.94	1.14	.65

NOTE.—In the case of live stock the figures shown above are based on the minimum weights prescribed by the Board of Railroad and Warehouse Commissioners for 36-foot cars. Figures based on minimum weights for 34-foot cars would be higher than those shown above by about six per cent.

The figures on agricultural implements, also on grain, etc., are based on the carload minima fixed by the Act of 1905.

NOTE.—The earnings per ton per mile in Missouri on Interstate carload freight as shown by the statement prepared from Missouri Pacific Railway records, averaged .667 cents, or less than the lowest figure shown above except for the 350-mile haul of grain, etc. (The average earnings per ton per mile on "Through" Interstate business would be considerably less.)

5058 EXHIBIT 25.

State of Missouri—Maximum Freight Rate Matter.

The Missouri Pacific Railway Company.

Trains on Which Merchandise (Less Than Carload Lots) Shown by Exhibit #9 Was Forwarded and Number of Cars Forwarded on Each Train.

	a ℳ 51.	*b* ℳ 55.	*c* ℳ 73.	*d* ℳ 77.	Other.	Total.
October 3, 1905.....	20	7	8	23	3	61
October 4, 1905.....	25	6	12	22	4	69
October 5, 1905.....	26	4	10	24	2	66
October 6, 1905.....	27	4	11	23	3	68
October 7, 1905.....	23	5	12	25	2	67
October 9, 1905.....	22	6	16	32	4	80
	143	32	69	149	18	411

Train #77, carrying the largest number of cars of all the trains was not included in Exhibit #15, the statement of tonnage carried on through trains.

The average loading of all of the above 411 cars, of which all but 18 cars were carried on trains, shown by official Time Table #7 to be through "Red Ball" trains, was as shown by Exhibit #9, 11,990 lbs., or less than six tons, each.

a. Colorado Red Ball.
b. Omaha Red Ball.
c. Kansas City and St. Joe Red Ball.
d. Joplin Division Red Ball.

5059 Form 1940 Ex. 26.
" 1941 " 27.

5060 EXHIBIT 26a.

It is not fair to assume that the "Cost per ton per mile" as shown on the Company's report, Forms 1940 and 1941 for the *year ending June 30th*, 1906, will apply to the State of Missouri for the following reasons:

The Density of Traffic is a great deal heavier on the Missouri Pacific System as a whole than it is on the Missouri Pacific Railway in Missouri, as shown by a comparison of the density of traffic of the various operating divisions of the System as follows:

Eastern Division	743,497	All	in	Missouri	(Mo. Pac. Ry.)
Central Kansas Division	735,898	6%	"	"	"
Colorado "	725,841				
Omaha "	461,201	3.6%	"	"	"
Northern Kansas "	228,829				
Joplin "	273,376	50%	"	"	"
White River "	150,436				
Wichita "	258,061				
Southern Kansas "	455,218				
Central "	1,350,881				
Missouri "	1,075,699				
Arkansas "	1,083,009				
Illinois "	1,098,970				
Memphis "	143,702				
Valley "	716,520				
System	665,181				

The density of Traffic on the various properties represented in the Missouri Pacific System, year ending June 30, 1906, is as follows:

Missouri Pacific and Branches	531,729
Central Branch	273,897
St. Louis Iron Mountain & Southern	908,413

The general conditions on the St. Louis, Iron Mountain and Southern are so different and so much better than on the Missouri Pacific Railway Proper, that a general average cost on the System is no indication of the cost on the Missouri Pacific Railway even in the State of Missouri.

5061 EXHIBIT 28.

State of Missouri—Maximum Freight Rate Matter.

Missouri Pacific Railway Company.

Statement Showing Cost Per Ton of Interstate Freight Based on Figures Shown in Missouri Pacific Railway Company's "Analysis of Statement of Superintendent's Operation" for the Year Ended June 30, 1906, Which Includes the Operations of the Missouri Pacific Railway Proper, the Iron Mountain Railway, and the Central Br.

Average haul of 105 miles is shown by Exhibit #19 covering Missouri Pacific business in Missouri for October, 1905.

	Single cost (cents).	Train and engine service reduced by doubling this cost on state business (cents).	Train and engine service reduced by trebling this cost on state business (cents).
Average cost per Ton (inc. Co. Mat'l) for Station and Yard Service (Form 1940)	17.920	17.920	17.920
Train Service per 100 tons one Mile (Form 1941) 4.10 cents. 105 Miles (average haul) at 4.10 cents per 100 ton Miles..	4.305	3.769	3.360
Engine Service per 100 tons one Mile (Form 1941) 9 cents 105 Miles (average haul) at 9 cents per 100 ton Miles	9.450	8.285	7.381
Other "C. T." Expenses per 100 tons one Mile (Form 1941) 4.24 cents. 105 Miles (average haul) at 4.24 cents per 100 ton miles	4.452	4.452	4.452
"C. T." Traffic Expenses per 100 tons one Mile (form 1941) 1.32 cents. 105 Miles (average haul) at 1.32 cents per 100 Ton Miles	1.386	1.386	1.836
Total for Conducting Transportation.....	37.513	35.812	34.499

Statement Showing Cost, etc.—Continued.

	Single cost (cents).	Train and engine service reduced by doubling this cost on state business (cents).	Train and engine service reduced by trebling this cost on state business (cents).
M. W. & S. Expenses per 100 tons one mile (Form 1941) 7.11 cents. 105 Miles (average haul) at 7.11 cents per 100 ton miles	7.465	7.465	7.465
M. E. Expenses per 100 tons one Mile (Form 1941) 9.84 cents. 105 Miles (average haul) at 9.84 cents per 100 ton miles	10.332	10.332	10.332
General Expenses per 100 tons one Mile (Form 1941) 2.51 cents. 105 Miles (average Haul) at 251 cents per 100 ton Miles	2.636	2.636	2.636
Total Cost per Ton	57.946	56.245	54.932
Average Amount received per ton for each ton of Interstate freight, as shown by Exhibit #19	82.20	82.20	82.20
Ratio of Cost to Revenue	70.49%	68.42%	66.83%

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EXHIBIT 29.

State of Missouri—Maximum Freight Rate Matter.

Missouri Pacific Railway Company.

Statement Showing Cost Per Ton of State Freight Based on Figures Shown in Missouri Pacific Railway Company's "Analysis of Statement of Superintendent's Operation for the Year Ended June 30, 1906, Which Includes the Operations of the Missouri Pacific Railway Proper, the Iron Mountain Railway, and the Central Branch.

Average haul of 52 miles is shown by Exhibit #19 covering Missouri Pacific business for October, 1905.

	Single cost (cents).	Train and engine service twice as great on State as on Interstate per ton per mile (cents).	Train and engine service three times as great on State as on Interstate per ton per mile (cents).
Average Cost per Ton (inc. Co. Mat'l) for Station and Yard Service (Form 1940)	17.920	17.920	17.920
Train Service per 100 Tons one Mile (Form 1941) 4.10 cents. 52 Miles (average haul of State Freight) at 4.1 cents per 100 ton Miles	2.132	3.734	4.992
Engine Service per 100 tons one Mile (Form 1941) .9 cents. 52 Miles (average haul of State Freight) at 9 cents per 100 ton Miles	4.680	9.206	10.967
Other "C. T." Expenses per 100 tons one Mile (Form 1941) 4.24 cents. 52 Miles (average haul of State Freight) at 4.24 cents per 100 ton Miles	2.205	2.205	2.205
"C. T." Traffic Expenses per 100 tons one Mile (Form 1941) 1.32 cents. 52 Miles (average haul of State Freight) at 1.32 cents per 100 ton Miles.....	.686	.686	.686
Total for Conducting Transportation	27.623	32.751	36.770

Statement Showing Cost, etc.—Continued.

	Single cost (cents).	Train and engine service twice as great on State as on Interstate per ton per mile (cents).	Train and engine service three times as great on State as on Interstate per ton per mile (cents).
M. W. & S. Expenses per 100 tons one Mile (Form 1941) 7.11 cents. 52 Miles (average haul of state freight) at 7.11 cents per 100 ton Miles	3.700	3.700	3.700
M. E. Expenses per 100 tons one Mile (Form 1941) 9.84 cents. 52 Miles (average haul of State Freight) at 9.84 cents per 100 ton Miles	5.117	5.117	5.117
General Expenses per 100 tons one Mile (Form 1941) 2.51 cents. 52 Miles (average haul of State Freight) at 2.81 cents per 100 ton Miles	1.305	1.305	1.305
Total Cost per ton	37.745	42.873	46.892
Average amount received per ton for each ton of State Freight, as shown by Exhibit #19.....	86.63	86.63	86.63
Ratio of Cost to Revenue.....	43.57%	49.49%	54.13%

5063 EXHIBIT 29*a*.

Deficit in Earnings by the Application of Exhibits 19, 28, 29, 30, *and* 31.

(*a*) Exhibits 28 and 29 undertake to show the cost per ton mile reduced to the cost per ton, based upon figures applicable to the entire System, as shown by Forms 1940, 1941, Exhibits 26 and 27, whereas the cost in Missouri is not to be compared with the cost on the System.

(*b*) Exhibits 30 and 31 purport to divide the earnings shown by Exhibit 5*a* in carload and less than carload lots, state and interstate, in accordance with Exhibit 19.

(*c*) Exhibit 30 arrives at the tons per mile by dividing the total revenue shown by Exhibit 5*a* by the revenue per ton per mile as shown by Exhibit 19.

(*d*) Applying this same method to arrive at the number of tons and the cost per ton there is this result: Interstate freight earnings (Ex. 5*a*) $3,777,390.45 of which 80.99% or $3,059,308.53 was de-

rived from carload and 19.01% or $718,081.92 from less than carload freight, dividing these by the revenue per ton as shown by Exhibit 19, $.6917 and $4.1647 respectively we obtain 4,422,884 tons of carload and 172,421 tons of less than carload freight or 4,595,305 tons of interstate freight of both classes. Applying the cost per ton shown by Exhibit No. 28, this appears:

At single cost	.57946 =	$2,662,795.43
At Double cost	.56245 =	2,584,629.30
At triple cost	.54932 =	2,524,292.94

State freight earnings (Ex. 5*a*), $1,632,856.14 of which 63.30%, or $1,033,597.94 was derived from carload and 36.70%, or $599,258.20 from less than carload freight dividing these by the revenue per ton as shown by Exhibit 19, $.5847 and $5.1125 respectively, we obtain 1,767,741 tons of carload and 117,214 tons of less than carload freight or 1,884,955 tons of state freight of both classes.

5064 To this apply the cost per ton shown by Exhibit 29, and this appears:

At single cost	.37745 =	$711,476.26
At double cost	.42873 =	808,136.76
At triple cost	.46892 =	883,893.10

Comparing these figures with the actual total cost as shown by Exhibit 5*a*, there is this result:

	Single cost.	Double cost.	Triple cost.	Cost per Ex. 5a.
Interstate	$2,662,795.43	$2,584,629.30	$2,524,292.94	
State ...	711,476.26	808,136.76	883,893.10	
Total	$3,374,271.69	$3,392,766.06	$3,408,186.04	$4,203,320.24
Difference	$829,048.55	810,554.18	$795,134.20	

In other words, figuring the expenses per ton and according to Exhibit- 19, 28, 29, 30 and 31, at single cost there is unaccounted for in the actual expenses, $829,048.55; at double cost, $810,554.18; at triple cost, $795,134.20.

(*e*) The cost per ton mile and the deficit in the total earnings, upon the same basis, are thus shown: Exhibits 30 and 31 show as interstate ton miles, 484,489,841. Dividing the cost per ton as shown by Exhibit 28 by the average length of haul (Ex. 19), 105 miles, there is obtained the cost per ton per mile; and multiplying the ton miles by such cost, there is this result:

At single cost	5.519	mills	$2,673,899.43
At double cost	5.357	"	2,595,412.08
At triple cost	5.232	"	2,534,850.85

State freight ton miles, shown by Exhibits 30 and 31, are 98,257,793. Dividing the cost per ton (Ex. 29) by the average

length of haul (Ex. 19), 52 miles, there is obtained the cost per ton per mile, which multiplied by the ton miles gives this result:

At single cost	7.258	mills	$713,155.06
At double cost	8.245	"	810,135.50
At triple cost	9.018	"	886,088.78

Comparing these figures with the actual total cost as shown by Exhibit 5*a*, there is this result:

5065	Single cost.	Double cost.	Triple cost.	Cost p'r Ex. 5a
Interstate	$2,673,899.43	$2,595,412.08	$2,534,850.85	
State ...	713,155.06	810,135.50	886,088.78	
Total	$3,387,054.49	$3,405,547.58	$3,420,939.63	$4,203,320.24
Difference	$816,265.75	$797,772.66	$782,380.61	

In other words, figuring the expenses per ton per mile according to Exhibits 19, 28, 29, 30 and 31, at single cost there is unaccounted for, $816,265.75 of all freight expenses; at double cost, $797,772.66; and at triple cost, $782,380.61.

(*f*) The result is that Exhibits 19, 28, 29, 30 and 31 when considered together, show their absolute unreliability.

The Missouri Pacific Railway Company.

Statement of Gross Earnings, Operating Expenses, and Net Earnings of the Freight Business of the Missouri Pacific Railway Company, in Missouri, for the Calendar Year 1905, *on the Following Basis.*

First. That of the Interstate freight earnings of $3,777,390.45, as shown by Complainant's Exhibit #5, page 3, 80.99%, or $3,059,308.53, was derived from carload business, and 19.01%, or $718,081.92, from less-than-carload business (these being the percentages which the Company's revenue from Interstate carload business and Interstate less-than-carload business are of the total Interstate freight revenue for the month of October, 1905, as shown by Exhibit #19). The Interstate earnings from services incidental to freight traffic, $231,043.79, have been added to the earnings derived from Interstate carload business.

Second. That of the State freight earnings of $1,632,856.14, as shown by Complainant's Exhibit #5, page 3, 63.30%, or $1,033,597.93, was derived from carload business, and 36.70%, or $599,258.21, from less-than-carload business, (these being the percentages which the Company's revenue from State carload business and State less-than-carload business are of the total State revenue for the month of October, 1905, as shown by Exhibit #19). The state earnings from services incidental to freight traffic, $25,671.53, have been added to the earnings derived from State carload business.

Third. That the Company's earnings, in Missouri, from Interstate carload business averaged .6667 cents per ton per mile—or the same for the year as for the month of October, 1905, as shown by Exhibit #19.

Fourth. That the Company's earnings, in Missouri, from Interstate less-than-carload business averaged 2.8032 cents per ton per mile, or the same for the year as for the month of October, 1905, as shown by Exhibit #19).

Fifth. That the Company's earnings, in Missouri, from State carload business averaged 1.2170 cents per ton per mile, or the same for the year as for the month of October, 1905, as shown by Exhibit #19.

Sixth. That the Company's earnings, in Missouri, from State less-than-carload business averaged 4.4963 cents per ton per mile, or the same for the year as for the month of October, 1905, as shown by Exhibit #19.

Seventh. That the total operating expenses of the State carload business were twice as much per ton per mile as the total operating expenses of the Interstate carload business.

Eighth. That the total operating expenses of the less-than-carload business, both Interstate and State, were three (3) times, five (5) times, or seven (7) times as much per ton per mile as the total operating expenses of the Interstate carload business.

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	Operating expenses divided on basis of State carload business costing twice and *all* less-than-carload business three times as much per ton per mile as interstate carload business.	Operating expenses divided on basis of State carload business costing twice and *all* less-than-carload business five times as much per ton per mile as interstate carload business.	Operating expenses divided on basis of State carload business costing twice and *all* less-than-carload business seven times as much per ton per mile as interstate carload business.
(1) Interstate Carload Business:			
Gross Earnings	$3,290,352.32	$3,290,352.32	$3,290,352.32
Operating Expenses	2,606,571.10	2,360,100.85	2,155,979.45
Net Earnings	$683,781.22	$930,251.47	$1,134,372.87
(2) Interstate Less-than-carload Business:			
Gross Earnings	$718,081.92	$718,081.92	$718,081.92
Operating expenses	436,616.54	658,524.46	842,318.43
Net Earnings	$281,465.38	$59,557.46	$124,236.51
(3) State Carload Business:			
Gross Earnings	$1,059,269.46	$1,059,269.46	$1,059,269.46
Operating expenses	964,706.58	873,656.57	798,275.63
Net Earnings	$94,562.88	$185,612.89	$260,993.83
(4) State Less-than-carload Business:			
Gross Earnings	$599,258.21	$599,258.21	$599,258.21

Operating Expenses	226,989.78	342,602.12	438,310.40
Net Earnings	$372,268.43	$256,656.09	$160,947.72
(5) Total Interstate Business:			
Gross Earnings	$4,008,434.24	$4,008,434.24	$4,008,434.24
Operating Expenses	3,043,187.64	3,018,625.31	2,998,297.88
Net Earnings	$965,246.60	$989,808.93	$1,010,136.36
5067			
(6) Total State Business:			
Gross Business	$1,658,527.67	$1,658,527.67	$1,658,527.67
Operating Expenses	1,191,696.36	1,216,258.69	1,236,586.12
Net Earnings	$466,831.31	$442,268.98	$421,941.55
(7) Total Interstate and State Business:			
Gross Earnings	$5,666,961.91	$5,666,961.91	$5,666,961.91
Operating Expenses	4,234,884.00	4,234,884.00	4,234,884.00
Net Earnings	$1,432,077.91	$1,432,077.91	$1,432,077.91
(8) Ratio of Operating Expenses to Gross Earnings:			
Interstate Carload Business	79.22%	71.73%	65.52%
Interstate less-than-carload Business	60.80%	91.71%	117.30%
All interstate Business	75.91%	75.30%	74.79%
State Carload Business	91.07%	82.49%	75.36%

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The Missouri Pacific Railway Company.

Statement of Gross Earnings, Operating Expenses, and Net Earnings, etc.—Continued.

		Operating expenses divided on basis of State carload business costing twice and *all* less-than-carload business three times as much per ton per mile as interstate carload business.	Operating expenses divided on basis of State carload business costing twice and *all* less-than-carload business five times as much per ton per mile as interstate carload business.	Operating expenses divided on basis of State carload business costing twice and *all* less-than-carload business seven times as much per ton per mile as interstate carload business.
State less-than-carload Business		37.87%	57.17%	73.14%
All State Business		71.85%	73.33%	74.55%
All freight Business		74.72%	74.72%	74.72%
(9) Ton Miles:				
Interstate Carload	458,873,335			
Interstate less-than-carload	25,616,506			
Total Interstate	484,489,841			
State Carload	84,929,986			
State less-than-carload	13,327,807			
Total State	98,257,793			
Total Interstate and State	582,747,634			

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5068 EXHIBIT No. 30a.

Number of Tons Handled in Missouri Year Ending December 31st, 1905, Calculated According to the Method Adopted in Exhibit No. 30 in Calculating Number of Ton Miles.

		%
Total Tons—State	1,884,862	29.09
" " Interstate	4,595,366	70.91
	6,480,228	100.00

Percentage of Ton Miles as Shown by Exhibit No. 30.

State	16.86%
Interstate	83.14%
	100.00

NOTE.—These figures have been ascertained from those reported in Exhibits 5a and 19 as explained in the cross examination of C. S. Ludlam.

EXHIBIT No. 30B.

Upon basis of State business costing three times the cost of Interstate business, the percentages calculated according to Exhibit 30, are as follows:

Tonnage:

Interstate	70.91 x 1 =	70.91 + 158.18 =	44.83%
State	29.09 x 3 =	87.27 + 158.18 =	55.17%
	100.00	158.18	100.00

Ton miles:

Interstate	83.14 x 1 =	83.14 + 133.72 =	62.18%
State	16.86 x 3 =	50.58 + 133.72 =	37.82%
	100.00	133.72	100.00

5069 EXHIBIT No. 30C.

Percentage and Amount of Revenue in Missouri for the Year Ending December 31st, 1905, Calculated According to the Method Adopted in Exhibit No. 30 in Calculating Ton Miles and Exhibit No. 30A in Calculating Tons.

State	$1,658,527.67	29.27%
Interstate	4,008,434.24	70.73%
	$5,666,961.91	

State of Missouri—Maximum Freight Rate Matter.

The Missouri Pacific Railway Company.

Statement of Gross Earnings, Operating Expenses and Net Earnings of the Freight Business of the Missouri Pacific Railway Company in Missouri for the Calendar Year 1905 *on the Following Basis.*

First. That of the Interstate Freight earnings of $3,777,390.45, as shown by Complainant's Exhibit #5, page 3, 80.99%, or $3,059,308.53, was derived from carload business, and 19.01%, or $718,081.92, from less-than-carload business (these being the percentages which the Company's revenue from Interstate carload business and Interstate less-than-carload business are of the total Interstate freight revenue for the month of October, 1905, as shown by Exhibit # 19). The Interstate earnings from services incidental to freight traffic, $231,043.79, have been added to the earnings derived from Interstate carload business.

Second. That of the State freight earnings of $1,632,856.14, as shown by Complainant's Exhibit #5, page 3, 63.30%, or $1,033,597.93, was derived from carload business, and 36.70%, or $599,258.21, from less-than-carload business (these being the percentages which the Company's revenue from State carload business and State less-than-carload business are of the total State revenue for the month of October, 1905, as shown by Exhibit # 19). The State earnings from services incidental to freight traffic, $25,671.53, have been added to the earnings derived from State carload business.

Third. That the Company's earnings in Missouri from Interstate carload business averaged .6667 cents per ton per mile, or the same for the year as for the month of October, 1905, as shown by Exhibit # 19.

Fourth. That the Company's earnings, in Missouri, from Interstate less-than-carload business averaged 2.8032 cents per ton mile, or the same for the year as for the month of October, 1905, as shown by Exhibit # 19.

Fifth. That the Company's earnings, in Missouri, from State carload business averaged 1.2170 cents per ton per mile, or the same for the year as for the month of October, 1905, as shown by Exhibit # 19.

Sixth. That the Company's earnings, in Missouri, from State less-than-carload business averaged 4.4963 cents per ton per mile, or the same for the year as for the month of October, 1905, as shown by Exhibit # 19.

Seventh. That of the total operating expenses in connection with State carload business, that portion known as

"conducting Transportation" was two (2) times, or five (5) times as much per ton per mile, as on Interstate carload business.

Eighth. That of the total operating expenses in connection with the less-than-carload business, both Interstate and State, that portion known as "Conducting Transportation was three (3) times, five (5) times, seven (7) times, or fifteen (15) times as much per ton per mile, as on Interstate carload business.

	Operating expenses divided on basis of conducting transportation part of same on State carload business costing twice and on *all* less-than-carload business three times as much per ton per mile as on interstate carload business.	Operating expenses divided on basis of conducting transportation part of same on State carload business costing twice and on *all* less-than-carload business five times as much per ton per mile as on interstate carload business.	Operating expenses divided on basis of conducting transportation part of same on State carload business costing twice and on *all* less-than-carload business seven times as much per ton per mile as on interstate carload business.	Operating expenses divided on basis of conducting transportation part of same on State carload business costing twice and on *all* less-than-carload business fifteen times as much per ton per mile as on interstate carload business.
(1) Interstate Carload Business:				
Gross Earnings	$3,290,352.32	$3,290,352.32	$3,290,352.32	$3,290,352.32
Operating Expenses	2,828,055.54	2,636,215.29	2,468,937.37	1,688,871.74
Net earnings	$462,296.78	$654,137.03	$821,414.95	$1,601,480.58
(2) Interstate Less-than-carload Business:				
Gross Earnings	$718,081.92	$718,081.92	$718,081.92	$718,081.92
Operating Expenses	360,388.63	524,702.79	668,264.70	941,414.71
Net Earnings	$357,693.29	$193,379.79	$49,817.22	$223,332.79

	Operating expenses divided on basis of conducting transportation part of same on State carload business co-ting twice and on *all* less-than-carload business three times as much per ton per mile as on interstate carload business.	Operating expenses divided on basis of conducting transportation part of same on State carload business costing twice and on *all* less-than-carload business five times as much per ton per mile as on interstate carload business.	Operating expenses divided on basis of conducting transportation part of same on State carload business costing twice and on *all* less-than-carload business seven times as much per ton per mile as on interstate carload business.	Operating expenses divided on basis of conducting transportation part of same on State carload business costing twice and on *all* less-than-carload business fifteen times as much per ton per mile as on interstate carload business.
(3) State Carload Business:				
Gross Earnings	$1,059,269.46	$1,059,269.46	$1,059,269.46	$1,059,269.46
Operating Expenses	859,257.96	800,816.56	749,997.96	1,115,044.96
Net Earnings	$200,011.50	$258,452.90	$309,271.50	$55,775.50
(4) State Less-than-carload Business:				
Gross Earnings	$599,258.21	$599,258.21	$599,258.21	$599,258.21
Operating Expenses	187,181.87	273,150.02	347,683.97	489,552.59
Net earnings	$412,076.34	$326,108.19	$251,574.24	$109,705.62
(5) Total Interstate Business:				
Gross Earnings	$4,008,434.24	$4,008,434.24	$4,008,434.24	$4,008,434.24
Operating Expenses	3,188,444.17	3,160,917.42	3,137,202.07	2,630,286.45
Net Earnings	$819,990.07	$847,516.82	$871,232.17	$1,378,147.79

(6) Total State Business:				
Gross Earnings	$1,658,527.67	$1,658,527.67	$1,658,527.67	$1,658,527.67
Operating Expenses	1,046,439.83	1,073,966.58	1,097,681.93	1,604,597.55
Net Earnings	$612,087.84	$584,561.09	$560,845.74	$53,930.12
(7) Total Interstate and State Business:				
Gross Earnings	$5,666,961.91	$5,666,961.91	$5,666,961.91	$5,666,961.91
Operating Expenses	4,234,884.00	4,234,884.00	4,234,884.00	4,234,884.00
Net Earnings	$1,432,077.91	$1,432,077.91	$1,432,077.91	$1,432,077.91
(8) Ratio of Operating Expenses to Gross Earnings:				
Interstate Carload Business	85.95%	80.12%	75.03%	51.33%
Interstate Less-than-carload Business	50.19%	73.06%	93.06%	131.10%
All interstate Business	79.54%	78.85%	78.26%	65.62%
State Carload Business	81.12%	75.61%	70.80%	105.26%
State less-than-carload Business	31.24%	45.58%	58.02%	81.69%
All state business	63.09%	64.75%	66.18%	96.75%
All Freight Business	74.72%	74.72%	74.72%	74.72%

(9) Ton Miles:	
Interstate Carload	458,873,335
Interstate Less-than-carload	25,616,506
Total interstate	484,489,841
State Carload	84,929,986
State less-than-Carload	13,327,807
Total State	98,257,793
Total Interstate and State.	582,747,634

5072 EXHIBIT 32.

The Missouri Pacific Railway Company.

Terminal Earnings from Switching, etc., at Kansas City, Missouri, Credited to the State of Missouri in Our Statement of Earnings (Exhibit 5a).

	Year 1904.	Year 1905.
Total Collected	$150,101.93	$187,254.15
Paid Out	107,297.18	132,452.14
	$42,804.75	$54,802.01

5073 EXHIBIT 33.

The Missouri Pacific Railway Company.

Freight Earnings from Shipments from Points North of Kansas City, Mo., to Grand Avenue, Mo., Credited in Statement of Earnings (Exhibit 5a) to State of Missouri.

1904.	1905.
$843.04	$1,278.27

5074 Ex. 35.

State of Missouri—Maximum Freight Rate Matter.

The Missouri Pacific Railway Company.

The Company's "Analysis of Statement of Superintendents' Operation" for the year ended June 30, 1906 (Exhibit No. 27, form #1941), shows the freight expenses of the Missouri Pacific System (including Iron Mountain and Central Branch) to have been as follows:

Item.	Amount.	Percent.
Station Service	$1,563,706.12	7.44
Yard Service	1,949,492.80	9.28
Train Service	1,884,870.55	8.97
Engine Service	4,130,626.62	19.66
Other Conducting Transportation Operating Expenses	1,947,652.02	9.27
	$11,476,348.11	54.62
Conducting Transportation Traffic Expenses	606,586.66	2.89
Total Conducting Transportation	$12,082,934.77	57.51
Maintenance of Way and Structures	3,262,468.30	15.52
Maintenance of Equipment	4,517,641.58	21.50
General Expenses	1,149,362.42	5.47
Total Freight Operating Expenses.	$21,012,407.07	100.

Assuming that the Station Service, the Yard Service, the Train Service and the Engine Service cost twice as much per ton per mile for State business as for Interstate business, then based upon the percentage which each of the different items shown above of the Operating Expenses is of the Total Operating Expenses, the following would be the result:

	Ratio of each class of operating expenses to total operating expenses. Would apply equally to one ton mile and to the total ton miles.	State, one ton mile.	Interstate, one ton mile.
Maintenance of Way and Structures	15.52%	15.52%	15.52%
Maintenance of Equipment	21.50	21.50	21.50
General Expenses	5.47	5.47	5.47
Station Service:			
State twice as much as interstate...	7.44	9.92	4.96
Yard Service:			
State twice as much as Interstate...	9.28	12.37	6.19
Train Service:			
State twice as much as Interstate...	8.97	11.96	5.98
Engine service:			
State twice as much as Interstate...	19.66	26.21	13.11
Other Conducting Transportation Expenses	9.27	9.27	9.27
Conducting Transportation:			
Traffic Expenses	2.89	2.89	2.89
Total.....	100.00%	115.11%	84.89%

State	115.11 =	57.55%
Interstate	84.89 =	42.45%
Total...	200.00	100.00%

Excess cost on above basis of State business (57.55%) over Interstate business (42.45%) = 35.57%. This is to say 57.55% is 35.57% greater, or more, than 42.45%. In other words, taking into consideration all the operating expenses, the total operating expense per ton per mile incident to the handling of the State Traffic on this basis is 35.57% greater than the total operating expense *per* ton per mile incident to the handling of the Interstate Traffic.

5075 EXHIBIT No. 36.

State of Missouri—Maximum Freight Rate Matter.

The Missouri Pacific Railway Company.

The Company's "Analysis of Statement of Superintendents' Operation" for the year ended June 30, 1906 (Exhibit No. 27, form 1941), shows the freight expenses of the Missouri Pacific System (including Iron Mountain and Central Branch) to have been as follows:

Item.	Amount.	Percent.
Station service	$1,563,706.12	7.44
Yard Service	1,949,492.80	9.28
Train Service	1,884,870.55	8.97
Engine Service	4,130,626.62	19.66
Other Conducting Transportation Operating Expenses	1,947,652.02	9.27
	$11,476,348.11	54.62
Conducting Transportation Traffic Expenses	606,586.66	2.89
Total Conducting Transportation	$12,082,934.77	57.51
Maintenance of Way and Structures	3,262,468.30	15.52
Maintenance of Equipment	4,517,641.58	21.50
General Expenses	1,149,362.42	5.47
Total Freight Operating Expenses	$21,012,407.07	100.00

Exhibit #14*a* shows that 41% of the tonnage carried on the six Missouri Pacific local trains running between Kansas City and Saint Louis, was State business, and that 59% was Interstate business. Our analysis of the freight business of the Missouri Pacific Railway for the month of October, 1905, (Exhibit #19) shows that 24.74% of the total tonnage was State Business and 75.26% was Interstate business.

Exhibit #14*a* shows that the local trains between Saint Louis and Kansas City carried an average of 204 tons each. There is one of these trains each way a day, (not including Sundays), making a total of 620 trains per year—620 trains at 204 tons each, 126,480 tons.

Exhibit #15 shows that the through trains carried an average of 470 tons. Six of these trains each way a day (including Sundays), or 4,380 a year, at 470 tons each, would carry 1,658,600 tons.

On this basis, the local trains carry 7.1% of the total tonnage. The total tonnage in Missouri during the month of October, 1905, as shown by Exhibit #19, was 610,534 tons, of which 7.1%, the

local train proportion, would be 43,348 tons. If the local
5076 trains carried 43,348 tons of freight, and the proportion thereof which should be State freight is 24.74% as shown by Exhibit #19, then they should have carried 10,724 tons of State freight. But if 41% of the tonnage of local trains was State freight, (as shown by Exhibit #14a) then the local trains must have carried 17,773 tons of State freight instead of 10,724 tons, or 7,049 tons more than they would have carried if their tonnage of State and Interstate freight had been in exact proportion to the total volume of Missouri State and Interstate business. The total tons of State freight in October, 1905, were 151,033 as appears from Exhibit #19, and 7,049 tons is 4.67% thereof.

If the local trains carried 4.67% more of the State business than they would have carried if their tonnage of State and Interstate freight had been in exact proportion to the total volume of the two classes in the State, then it is evident that only 4.67% of the State freight cost more to handle on the trains than the Interstate business cost.

If this 4.67% of State business handled on the local trains in excess of the proportion which should be handled on these trains costs three times as much per ton for engine and train service as it would cost if handled on the through trains, then all of the state business would cost for engine and train service about 25.99% more per ton than the Interstate business, as shown thus:

Proportion on Division of Total Tonnage (as shown by Exhibit #19):

Interstate Business	75.26%
State business	24.74%

Proportion on division between trains:

Interstate	75.26 x 100%	.....	7,526.00 =	68.83%
State	20.07 x 100%	2,007.00	.....	.....
	4.67 x 300%	1,401.00	3,408.00 =	31.17%
	100.	.....	10,934.00	100. %

If all of the State business costs 31.17% of the total train and engine expense, as shown above, and its proper proportion is only 24.74% as shown by Exhibit #19, then its excess cost is 643/2474 or 25.99%; that is to say, 31.17% is 25.99% greater, or more, than 24.74%.

5077 Assuming that the Station Service and the Yard Service cost twice as much per ton per mile for State business as for Interstate business, and that the train Service and Engine Service cost 25.99% more per ton per mile for State business than for Interstate business, then based upon the percentage which each of the different items of the Operating Expenses shown below is of the Total Operating Expenses, the following would be the result:

	Ratio of each class of operating expenses to total operating expenses. Would apply equally to one ton mile and to the total ton miles.	State, one ton mile.	Interstate, one ton mile.
Maintenance of Way and Structures	15.52%	15.52%	15.52%
Maintenance of Equipment	21.50	21.50	21.50
General Expenses	5.47	5.47	5.47
Station Service:			
State twice as much as Interstate...	7.44	9.92	4.96
Yard Service:			
State twice as much as Interstate...	9.28	12.37	6.19
Train Service:			
State 125.99% of Interstate.....	8.97	10.00	7.94
Engine Service:			
State 125.99% of Interstate.....	19.66	21.92	17.40
Other Conducting Transportation Expenses	9.27	9.27	9.27
Conducting Transportation:			
Traffic Expenses	2.89	2.89	2.89
Total.....	100.00%	108.86%	91.14%

State	108.86 =	54.43%
Interstate	91.14 =	45.57%
	200.	100. %

Excess cost of State business (54.43%) over Interstate business (45.57%) = 19.44%; that is to say, 54.43% is 19.44% greater, or more, than 45.57%.

In other words, taking into consideration *all* the operating expenses, the total Operating Expense per ton per mile incident to the handling of the State traffic is, on this basis, 19.44% greater than the total Operating Expense per ton per mile incident to the handling of the Interstate traffic.

5078 EXHIBIT 36*a*.

State of Missouri—Maximum Freight Rate Matter.

The Missouri Pacific Railway Company.

The Company's "Analysis of Statement of Superintendents' Operation" for the year ended June 30, 1906, shows the freight expenses of the Missouri Pacific System (including Iron Mountain and Central Branch) to have been as follows:

Item.	Amount.	Percent.
Station Service	$1,563,706.12	7.44
Yard Service	1,949,492.80	9.28
Train Service	1,884,870.55	8.97
Engine Service	4,130,626.62	19.66
Other Conducting Transportation Operating Expenses	1,947,652.02	9.27
	$11,476,348.11	54.62
Conducting Transportation Traffic Expenses	606,586.66	2.89
Total Conducting Transportation	$12,082,934.77	57.51
Maintenance of Way and Structures	3,262,468.30	15.52
Maintenance of Equipment	4,517,641.58	21.50
General Expenses	1,149,362.42	5.47
Total Freight Operating Expenses.	$21,012,407.07	100.00

Exhibit # 14*a* shows that 41% of the tonnage carried on the six Missouri Pacific local trains running between Kansas City and Saint Louis was State business, and that 59%, was Interstate business. Our analysis of the freight business of the Missouri Pacific Railway for the month of October, 1905, (Exhibit # 19) shows that 24.74% of the total tonnage was State business, and 75.26% was Interstate business.

Exhibit # 14*a* shows that the local trains between Saint Louis and Kansas City carried an average of 204 tons each. There is one of these trains each way a day, (not including Sundays), making a total of 620 trains per year—620 trains at 204 tons each, 126,480 tons.

Exhibit # 15 shows that the through trains carried an average of 470 tons. Six of these trains each way a day (including Sundays) or 4,380 a year, at 470 tons each, would carry 2,058,600 tons.

On this basis, the local trains carry 5.8% of the total tonnage. The total tonnage in Missouri during the month of October, 1905, as shown by Exhibit # 19, was 610,534 tons, of which 5.8% the
5079 local train proportion, would be 35,411 tons. If the local trains carried 35,411 tons of freight, and the proportion thereof which should be State freight is 24.74% as shown by Exhibit # 19, then they should have carried 8,761 tons of State freight. But if 41% of the tonnage of local trains was State freight, (as shown by Exhibit # 14*a*), then the local trains must hace carried 14,519 tons of State Freight instead of 8,761 tons, or 5,758 tons more than they would have carried if their tonnage of State and Interstate freight had been in exact proportion to the total volume of Missouri State and Interstate business. The total tons of State freight in October, 1905, were 151,033, as appears from Exhibit # 19, and 5,758 tons is 3.81% thereof.

If the local trains carried 3.81% more of the State business than

they would have carried if their tonnage of State and Interstate freight had been in exact proportion to the total volume of the two classes in the State, then it is evident that only 3.81% of the State freight costs more to handle on the trains than the Interstate business costs, and that the remaining 96.19% of State business costs just the same as the Interstate business costs.

If this 3.81% of State business handled on the local trains in excess of the proportion which should be handled on these trains costs three times as much per ton for engine and train service as it would cost if handled on the through trains, then all of the State business would cost for engine and train service about 5.62% more per ton than the Interstate business, as shown thus:

Proportion on Division of Total Tonnage (as shown by Exhibit # 19):

Interstate business	75.26%
State Business	24.74%

Proportion on Division Between Trains:

Interstate ... 75.26 x 100 =	.....	7,526.00 =	73.87%
State: 24.74% of which 96.19% or 23.80% costs the same as Interstate and 3.81% or .94% costs more—			
23.80 x 100	2,380.00		
.94 x 300	282.00	2,662.00 =	26.13%
		10,188.00	100. %

If all of the State business costs 26.13% of the total train
5080 and engine expense, as shown above, and its proper proportion is only 24.74% as shown by Exhibit # 19, then its excess cost is 139/2474 or 5.62%; that is to say, 26.13% is 5.62% greater, or more, than 24.74%.

Assuming that the Station Service and the Yard Service cost twice as much per ton per mile for State business as for Interstate business, and that the Train Service and Engine Service cost 5.62% more per ton per mile for State business than for Interstate business, then based upon the percentage which each of the different items of the Operating Expenses shown below is of the Total Operating Expenses, the following would be the result:

	Ratio of each class of operating expenses to total operating expenses. Would apply equally to one ton mile and to the total ton miles.	State, one ton mile.	Interstate, one ton mile.
Maintenance of Way and Structures.	15.52%	15.52%	15.52%
Maintenance of Equipment.....	21.50	21.50	21.50
General Expenses	5.47	5.47	5.47
Station Service:			
State Twice as much as Interstate..	7.44	9.92	4.96
Yard Service:			
State twice as much as Interstate...	9.28	12.37	6.19
Train Service:			
State 105.62% of Interstate.....	8.97	9.22	8.72
Engine Service:			
State 105.62% of Interstate.....	19.66	20.20	19.12
Other Conducting Transportation Expenses.....	9.27	9.27	9.27
Conducting Transportation:			
Traffic Expenses	2.89	2.89	2.89
Total	100.00%	106.36%	93.64%

State	106.36 =	53.18%
Interstate	93.64 =	46.82%
	200.	100. %

Excess cost of State business (53.18%) over Interstate business (46.82%) = 13.58%; that is to say, 53.18% is 13.58% greater, or more than 46.82%.

In other words, taking into consideration *all* the Operating Expenses, the total Operating Expense per ton per mile incident to the handling of the State traffic is, on this basis, 13.58% greater than the total Operating Expense per ton per mile incident to the handling of the Interstate traffic.

5081 EXHIBIT No. 36B.

(*a*) Exhibit 36 (as corrected by Exhibit 36*a*) purports to show relative theoretical amounts of state and interstate freight carried on theoretical Through and Local or Way Freight trains in Missouri during the year 1905, and the figures therein are used in Exhibits 37, 37*a*, 38, 38*a*, and 38*b*, so that if inaccurate, all of these exhibits are valueless—if, on account of their being merely theoretical, they are of any value. In computing these figures the state experts have taken into consideration the following data:

1. Their inaccurate version of Mr. W. B. Doddridge's testimony,

i. e. that there were six daily through freight trains handled on Eastern Division.

2. Exhibit 19 i. e. State's statement of freight business of the Missouri Pacific Railway for October, 1905.

3. Exhibits 14*a* and 15 giving average number of tons and percentages of state and interstate freight carried on local and through trains.

(*b*) Exhibits 36 and 36*a* are upon the basis that there were 12 through trains, 6 each way, 365 days a year, and 2 local trains, one each way, 310 days a year. But the time table #7 Eastern Division (Exhibit 24) and the time table #13 of the St. Louis terminals show there were 8 through trains, 4 each way, and 29 local trains, 14 west and 15 east bound. An examination of the records of the transportation department shows trains actually handled on Eastern Div. during the month of December, 1906, as follows:

Through trains	= 579	= 579
(Locals	= 353)	
Way freight (Ordinary Freight	= 773)	= 1334
Trains (Mixed Freight & Passenger	= 208)	

i. e. 579 through trains and 1334 way freight trains, or 18 through trains and 51 local trains per day. So while Exhibits 36 et seq. were prepared upon the theory that 1/7th, or about 15%, of all freight trains were local, and 6/7ths, or about 85%, were through, yet as a matter of fact, 29, or about 78% were local, and 8, or about 22% were through. These changes in accordance with the facts
5082 destroy all value in these exhibits.

(*c*) Exhibit 36 states that only 5.8% of all freight was carried on these local trains (of which there were 1334) and that 94.2% was carried on the through trains (of which in fact there were 579). The state's Exhibit 19 shows the total tonnage handled in Missouri during 1905 was state 1,884,955 and interstate 4,595,305, or 6,480,260 tons in all. Applying above percentages of 5.8% and 94.2%, local trains would carry 375,855 tons and through trains would carry 6,104,405 tons. Assuming that the month of December is one-twelfth of the year's tonnage, the 1334 local trains would have carried 31,321 tons, or about 24 tons each, and the 579 through trains 508,700 tons, or about 878 tons apiece. Exhibit 14*a* gives average load for trains examined. (8) through trains 470 tons, and (8) local trains 204 tons each on the average. Records in the Transportation Department show average number of gross ton miles per train to be, through trains, 99,243, local trains, 43,282. That is to say that whereas the statistics show that the through trains gross ton miles are only a little more than twice as great as the local train ton miles, notwithstanding the very much longer haul which the through train freight would be carried the tons per train based on Exhibits 36 et seq. would be 37 times as great. This discrepancy from the facts absolutely destroys any value that might exist in the Exhibits.

(*d*) Exhibit 14*a* (local trains) gives percentages of state freight as 41% and interstate as 59%, while Exhibit 15 gives that of through

trains state freight 7%, interstate freight 93%. Applying these percentages to the total number of state and interstate tons carried as shown by Exhibit 19, on the basis upon which Exhibits 36 et seq. were prepared, the result would be:

5083	On local trains.	Through trains.	Total tons.
State Freight	154,101	427,308	581,409
Interstate Freight	221,754	5,677,097	5,898,851
	375,855	6,104,405	6,480,260

That is to say, 581,409 tons of state freight instead of 1,884,955 tons, as shown by Exhibit 19, or about 31% thereof, and—of interstate freight 5,898,851 tons, or about 29% more than the actual number of tons (4,595,305) of interstate freight as shown by Exhibit 19.

(*e*) All this shows that 14*a* and 15 were only prepared to show that more tonnage was carried on certain particular through than upon certain particular local trains. They did not give the average for the entire railroad but for trains upon the best part of the main line where the result would be the most favorable which could be claimed by the state upon any part of the railroad. Those exhibits conclusively show that each through train carries 470 tons as against 204 carried by local trains.

5083½ EXHIBIT 37.

State of Missouri—Maximum Freight Rate Statute.

Missouri Pacific Railway Company.

Statement Showing Results in Missouri of the Operations of the Freight Business of the Missouri Pacific Railway for the Years 1904 *and* 1905 *on the Following Bases.*

First. That the freight Earnings, both State and Interstate, were as shown in Exhibit 5*a*.

Second. That the State business cost 35.57% more per ton per mile than the Interstate business (see Exhibit 35).

Third. That the State business cost 19.44% more per ton per mile than the Interstate business (see Exhibit 36).

On basis of State business costing 35.57% more per ton per mile than Interstate:

	1904.	1905.
Earnings on State Freight.....	$1,581,689.11	$1,658,527.67
Operating Expenses	867,225.17	903,656.18
Net Earnings	$714,463.94	$751,871.49
Earnings on Interstate Freight....	$4,249,462.80	4,008,434.24

Operating Expenses	3,555,136.76	3,296,664.06
Net Earnings	$694,326.04	$711,770.18
Total Freight Earnings	$5,831,151.91	$5,636,931.91
Operating Expenses	4,422,361.93	4,203,320.24
Net Earnings	$1,408,789.96	$1,463,641.67

On basis of State business costing 19.44% more per ton per mile than Interstate:

	1904.	1905.
Earnings on State Freight	$1,581,689.11	$1,658,527.67
Operating Expenses	781,873.59	819,647.45
Net Earnings	$799,815.52	$838,880.22
Earnings on Interstate Freight	$4,249,462.80	$4,008,434.24
Operating Expenses	3,640,488.34	3,383,672.79
Net Earnings	608,974.46	$624,761.45
Total Freight Earnings	$5,831,151.91	$5,636,931.91
Operating Expenses	4,422,361.93	4,203,320.24
Net Earnings	$1,408,789.98	$1,463,641.67

5084 Ex. 37*a*.

State of Missouri—Maximum Freight Rate Matter.

Missouri Pacific Railway Company.

Statement Showing Results in Missouri of the Operations of the Freight Business of the Missouri Pacific Railway for the Years 1904 *and* 1905 *on the Following Basis.*

First. That the freight Earnings, both State and Interstate, were as shown in Exhibit 5*a*.

Second. That the State business cost 35.57% more per ton per mile than the Interstate business (see Exhibit 35).

Third. That the State business cost 13.58% more per ton per mile than the Interstate business (see Exhibit 36).

On basis of State business costing 35.57% more per ton per mile than Interstate:

	1904.	1905.
Earnings on State Freight.....	$1,581,689.11	$1,658,527.67
Operating Expenses	867,225.17	903,656.18
Net Earnings	$714,463.94	$751,871.49
Earnings on Interstate Freight....	$4,249,462.80	$4,008,434.24
Operating Expenses	3,555,136.76	3,296,664.06
Net Earnings	$694,326.04	$711,770.18
Total Freight Earnings.....	$5,831,151.91	$5,636,931.91
Operating Expenses	4,422,361.93	4,203,320.24
Net Earnings	$1,408,789.98	$1,463,641.67

On Basis of State business costing 13.58% more per ton per mile than Interstate:

	1904.	1905.
Earnings on State Freight.....	$1,581,689.11	$1,658,527.67
Operating Expenses	750,032.58	787,281.89
Net Earnings	$831,656.53	$871,245.78
Earnings on Interstate Freight....	$4,249,462.80	$4,008,434.24
Operating Expenses	3,672,329.35	3,416,038.35
Net Earnings	$577,133.45	$592,395.89
Total Freight Earnings.....	$5,831,151.91	$5,636,931.91
Operating Expenses	4,422,361.93	4,203,320.24
Net Earnings	$1,408,789.98	$1,463,641.67

5085 EXHIBIT 38.

State of Missouri—Maximum Freight Rate Matter.

Missouri Pacific Railway Company.

Statement Showing Results in Missouri of the Operations of the Freight Business of the Missouri Pacific Railway for the Years 1904 *and* 1905 *on the Following Basis.*

First. That the freight Earnings, both State and Interstate, were as shown in Exhibit 5*a*.

Second. That 4.67% of the State Freight cost three (3) times as much per ton per mile as all other freight business (see Exhibit # 36).

	1904.	1905.
Earnings on State Freight.....	$1,581,689.11	$1,658,527.67
Operating Expenses	727,036.30	762,902.62
Net Earnings	$854,652.81	895,625.05
Earnings on Interstate Freight....	$4,249,462.80	$4,008,434.24
Operating Expenses	3,695,325.63	3,440,417.62
Net Earnings	$554,137.17	$568,016.62
Total Freight Earnings.....	$5,831,151.91	$5,666,961.91
Operating Expenses	4,422,361.93	4,203,320.24
Net Earnings	$1,408,789.98	$1,463,641.67

5086 EXHIBIT 38A.

Earnings and Operating Expenses with no Allowance for Extra Cost of Doing State Business, Exclusive of Interest, Taxes and Rental.

	1904.	1905.
(1) Earnings from State Freight..	$1,581,689.11	$1,658,527.67
Operating Expenses: (27.12% in 1904) = (29.27% " 1905)	1,199,344.56	1,230,311.83
Net Earnings	$382,344.55	$428,215.84

	1904.	1905.
(2) Earnings from State Freight..	$1,581,689.11	$1,658,527.67
Operating Expenses on Tonnage basis as shown by Exhibit 30A or 29.09%.....	1,286,465.09	1,222,745.86
Net Earnings	$295,224.02	$435,781.81

	1904.	1905.
(3) Earnings from State Freight..	$1,581,689.11	$1,658,527.67
Operating Expenses on basis of ton mileage as shown on Exhibit 30 or 16.86%.....	745,610.22	708,679.78
Net Earnings	$836,078.89	$949,847.89

5087 38*b*.

State of Missouri—Maximum Freight Rate Matter.

Missouri Pacific Railway Company.

Statement Showing Results in Missouri of the Operations of the Freight Business of the Missouri Pacific Railway for the Years 1904 *and* 1905 *on the Following Basis.*

First. That the freight Earnings, both State and Interstate, were as shown in Exhibit 5*a*.

Second. That 3.81% of the State Freight cost three (3) times as much per ton per mile as all other freight business (see Exhibit # 36).

	1904.	1905.
Earnings on State Freight.....	$1,581,689.11	$1,658,527.67
Operating Expenses	717,307.11	735,234.99
Net Earnings	$864,382.00	$905,292.68
Earnings on Interstate Freight....	$4,249,462.80	$4,008,434.24
Operating Expenses	3,705,054.82	3,450,085.25
Net Earnings	$544,407.98	$558,348.99
Total Freight Earnings.....	$5,831,151.91	$5,636,961.91
Operating Expenses	4,422,361.93	4,203,320.24
Net Earnings	$1,408,789.98	$1,463,641.67

Ex. 39, p. 1.

Schedule of Bonded Indebtedness.

The Missouri Pacific Railway Company.

Lines in Missouri.

Mortgage.		Date of bond.	Maturity of bond.	Amount.		Rate of interest.	Total annual interest.
				Authorized.	Outstanding.		
Pac. R. R. (of Mo.) 1st Mtge., ext. from Aug. 1st, 1888	July 15, 1868	Aug. 1st, 1868	Aug. 1st, 1938	$7,000,000.00	$7,000,000.00	4% Gold	$280,000.00
" " " " " 2nd " " " July 1st, 1891	July 1, 1871	July 1st, 1871	July 1st, 1938	3,000,000.00	2,573,000.00	5% "	128,650.00
" " " " " St. Louis City Real Estate Mtge. extended from May 1st, 1892.	April 19, 1872	May 1st, 1872	May 1st, 1938	800,000.00	800,000.00	5% "	40,000.00
Pac. R. R. (of Mo.) Carondelet B'ch, 1st Mtge. extended from Oct. 1st, 1893.	Oct. 1, 1873	Oct. 1st, 1873	Oct. 1st, 1938	500,000.00	245,000.00		
Less amount held in Treasury					7,500.00		
					237,500.00	4 3/5% "	10,687.50
Missouri Pacific R'y Co. 3rd Mtge	Nov. 1, 1876	Nov. 1st, 1876	Nov. 1st, 1906	4,500,000.00	3,280,000.00	7% c'cy	267,960.00
The Mo. Pac. R'y Co. Lexington Div., 1st Mtge	Oct. 1, 1880	Oct. 1st, 1880	Aug. 1st, 1920	650,000.00	650,000.00	5% Gold	32,500.00
" " " " " Consolidated, 1st Mtge	Nov. 1, 1880	Nov. 1st, 1880	Nov. 1st, 1920	30,000,000.00	14,904,000.00	6% "	894,240.00

*The Mo. Pac. R'y Co. Consolidated, 1st Mtge. covers territory shown on attached statement 65% of which is in Missouri; and 65% of the annual interest is charged to Missouri i. e. 65% of $894,240.00 or $581,256.00.

5089 Ex. 39, p. 2.

The Missouri Pacific Railway Company Consolidated 1st Mortgage Covers the Following Lines.

	Miles.	
	1.00	
St. Louis to Kansas City, State Line	283.74	
Lake Junction to Creve Couer	11.99	
Tower Grove to Carondelet	6.30	
Kirkwood to Carondelet	12.55	
Glencoe Branch	4.00	
Lebannon Branch	45.04	
J. C. B. & L. Branch	120.75	
Lexington Branch	28.46	
Lake City Branch	7.76	
Blackwater Branch	3.00	
Lexington and Southern Division	132.69	
Webb City Spur	24.29	
Total in Missouri		741.57
Kansas and Arizona Division	61.23	
Ottawa Branch	21.62	
Kansas City State Line to Atchison, Kans.	46.37	
Central Branch Junction to Papillion Junction	146.56	
Crete Branch	58.18	
Lincoln Branch	33.92	
Nebraska City Line—Nebraska City Nch. to Weeping Water Junction	26.76	
Total in Kansas & Nebraska		394.64
		1136.21

	Miles.	
Missouri	741.57 —	65%
Kansas & Nebraska	394.64 —	35%
Total	1136.21	100%

State of Missouri—Maximum Freight Rate Matter.

Chicago, Burlington & Quincy Railway Company.

Statement of Missouri's Proportion of the Freight Earnings of the Chicago, Burlington & Quincy Railway Company, Also Tons One Mile., etc.—Month of September, 1906.

	Character of freight.	(1) Number of tons.	(2) Percentage of total tons.	(3) Revenue.	(4) Percentage of total revenue.	(5) Average amount received per ton.	(6) Number of tons one mile.	(7) Percentage of total ton miles.	(8) Average amount received per ton per mile (dollars).	(9) Average length of haul (miles).
1.	"Through" Interstate:									
2.	Carload	166,853	26.48	$146,337.56	20.13	$ .8770	26,589,489	33.00	.005504	159
3.	Less-than-Carload	7,293	1.16	19,266.84	2.65	2.6418	1,215,810	1.51	.015847	167
4.	Total	174,146	27.62	$165,604.40	22.78	$ .9508	27,805,299	34.51	.005956	160
5.	"Second Class" Interstate:									
6.	Carload	350,025	55.52	$367,560.22	50.55	$1.0501	42,860,408	53.20	.008576	122
7.	Less-than-Carload	19,906	3.15	74,966.68	10.31	3.7660	2,914,278	3.62	.025724	146
8.	Total	369,931	58.67	$442,526.90	60.86	$1.1962	45,774,686	56.82	.009668	124

9.	All Interstate:								
10.	Carload	516,878	81.98	$513,897.78	70.68	$ .9942	69,449,897	86.20	.007400	134
11.	Less-than-carload	27,199	4.31	94,233.52	12.96	3.4645	4,130,088	5.13	.022816	152
12.	Total	544,077	86.29	$608,131.30	83.64	$1,1177	73,579,985	91.33	.008265	135
13.	State:								
14.	Carload	78,169	12.39	$82,450.36	11.34	$1.0548	6,200,564	7.70	.013297	79
15.	Less-than-Carload	8,289	1.32	36,476.99	5.02	4.4007	782,197	.97	.046634	94
16.	Total	86,458	13.71	$118,927.35	16.36	$1,3756	6,982,761	8.67	.017032	81
17.	Total Interstate and State.	630,535	100.	$727,058.65	100.	$1.1531	80,562,746	100.	.009025	128
18.	Total Carload	595,047	94.37	$596,348.14	82.02	$1.0022	75,650,461	93.90	.007883	127
19.	Total Less-than-Carload..	35,488	5.63	$130,710.51	17.98	$3,6832	4,912,285	6.10	.026609	138

20.	Ratio of Revenue per ton per mile on Less-than-carload Interstate freight (all) to Less-than-Carload State freight	48.93%
21.	" " " " " " " " Carload " " " " " Carload	55.65%
22.	" " " " " " " " " " " " " " Less-than-Carload Interstate freight (all)	32.43
23.	" " " " " " " " " " " " " " " " State "	28.51
24.	" " " " " " " " " " " " " " " " " "	15 87
25.	" " " " " " " " all Interstate freight to all State freight	48.53
26.	" " " " " " " " " Carload " " " Less-than-carload freight	29.63

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5091

EXHIBIT No. 46.

(1) Miles of road in Missouri.	(2) Mortgage bonds per mile in Missouri.	(3) Capital stock per mile.	(4) Value upon state board assessment, 1906. Per mile.	(4) Value upon state board assessment, 1906. For whole state.	(5) All earnings in Missouri per mile.	(6) Interstate earnings per mile. Freight.	(6) Interstate earnings per mile. Passenger.	(7) State earnings per mile. Freight.	(7) State earnings per mile. Passenger.
939 owned ..... } 973 operated.... }	$26,386.00	$25,464.00	$41,639.38	$39,300,157.90	..... Fr't.. $5,824.22 Pass.. $2,693.26 Misc.. 132.98 $8,650.46	$4,119.66	$899.36	$1,704.55	$1,793.89

Column 2 939 Miles Based on Exhibit 39.
" 3 3,056 Miles.
" 4 $41,839.38 per mile is 3 times assessed value in 1906.

5092 **Ex. 51.**

Statement of Valuations of Local Property Assessed to the Missouri Pacific Railway Company in the State of Missouri for Taxes of 1906.

Barton County.....	$195.00	Jasper County...	$8650.00
Bates "	20.00	Johnson " ...	1360.00
Benton "	1950.00	Lafayette " ...	2380.00
Cass "	1885.00	Moniteau " ...	5800.00
Franklin "	1480.00	Osage " ...	1650.00
Gascinade "	2900.00	Pettis " ...	88450.00
Jackson "	36060.00	Vernon " ...	2910.00
		St. Louis City....	294580.00
		Total.....	$450270.00

STATE OF MISSOURI:

Office of State Auditor.

I, Wm. Wilder, State Auditor, do hereby certify that the foregoing is a true and correct statement of the valuation of the property of the Missouri Pacific Railway Company in the State of Missouri for the taxes of 1906, as assessed by the local assessors, as is provided in Section # 9360 R. S. Mo., 1899, as shown by the abstracts of the Railroad Tax books duly certified to this office by the County Clerks and the Comptroller of the City of St. Louis.

In Witness Whereof, I hereunto set my hand and affix the seal of the State Auditor this 21st day of March 1907.

WM. W. WILDER,
State Auditor.

[SEAL.]

5093 **Ex. 52.**

Message.

OFFICE OF THE GOVERNOR, STATE OF MISSOURI,
CITY OF JEFFERSON, *February* 27, 1907.

To the House of Representatives:

The Forty-third General Assembly enacted a maximum freight law, reducing freight rates on the railroads of the State. There can be no doubt that freight rates in this State are entirely too high as compared with states similarly situated. No maximum rate law had been enacted for many years, and it is but natural that in the endeavor to fix rates upon a reasonable basis some inaccuracies should have crept in. Taking advantage of the seaming defects of this measure, the railroads have enjoined, through the Federal Courts, the Railroad Commissioners and the State officials from enforcing

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this law until its validity can be determined. This case is now pending in the United States District Court at Kansas City.

It would be unfortunate if this General Assembly should adjourn without enacting a statute curing the faults in this freight rate law. The people of the State are entitled to and should receive the benefit of the reduced freight rates which they have not yet had the advantage of by reason of this statute being made inoperative through the courts. The statute enacted by the last General Assembly is defective in the penalty clause, which applies only to railroads. The penalty should be made to apply to persons, corporations and partnerships. The cattle clause should be corrected in the light of the testimony adduced in the freight rate litigation so as to fix these rates at an amount that will stand the test of the judicial crucible. With these corrections I believe the people of Missouri will soon be enjoying the reduction of freight rates given by the law and of which they are now deprived.

JOSEPH W. FOLK, *Governor.*

5094 Maximum Freight Law.

The Forty-third General Assembly enacted a maximum freight law reducing freight rates on all railroads of the State. The Federal courts have enjoined the Railroad Commissioners and State officials from enforcing this law until its validity can be determined. The case is now pending in the United States Court at Kansas City. Much testimony has been taken in the case, and I have requested the Attorney General to prepare for your information the salient features developed by the evidence, in order that you may be fully advised in the premises. In my opinion the present law should be amended so as to make the penalty for its violation apply to persons, corporations and partnerships. The present penalty clause applies only to railroads. It should also be amended so as to include coal, lumber and other products.

5095 *Journal of the House.*

EXECUTIVE DEPARTMENT, STATE OF MISSOURI,
CITY OF JEFFERSON, *April* 15, 1905.

To the Secretary of State.

SIR: I have the honor herewith to transmit, with my approval endorsed thereon, House Bill No. 208, entitled "An act entitled an act to amend chapter 12 of the Revised Statutes of Missouri, revision of 1899, entitled 'Corporations, private,' by repealing section 1194 of said Revised Statutes, being part of article 4 of said chapter, concerning railroad classification, charges, commissioners, and to enact in lieu thereof the following new sections, providing for the regulation of freight charges by railroads and the recovery of penalties for the violation thereof," which reached me within the ten days next before the adjournment of the General Assembly.

This act fixes maximum rates on carload lots, and affects practically only farm products, covering grain, flour, salt, lime, lumber, live stock and agricultural implements.

It is insisted that the rates in the bill are unreasonably low. I have given the bill careful consideration, and have endeavored in the limited time I have had to ascertain whether it is just or not. The Legislature has the right under the Constitution to provide reasonable maximum rates. If the rates so fixed are unreasonable they cannot be enforced under the law. The railroads are entitled to receive from the public a reasonable profit upon the capital invested in the business in which they are engaged. As to what rates would afford this reasonable return depends on the cost of building, the expense of operating, the net income and many other facts that can only be obtained after a full hearing and the taking of testimony concerning the subject. Such investigation is beyond the province of the Executive and is forbidden by the time the Constitution gives the Governor after the adjournment of the Legislature to pass on bills. The Executive must, therefore, determine the merits or demerits of the act from its face and by such comparisons with former rates and present rates as he is able to make. While it is apparent that the rates in this bill are materially lower than the present rates, especially from non competitive points, as to whether they are unreasonably or not cannot be determined by this comparison. There are so many elements that go to make up a reasonable rate that manifestly no correct conclusion can be arrived at without a full hearing as to the facts. Comparing the various items in the bill, no gross inequality is noted except in the live stock section. On a car of live stock the maximum rate under the bill is six dollars for the first twenty-five miles, while on lumber it is fifteen dollars, and on wheat twenty-dollars for the same distance. Considering the value of live stock and the expense of carriage as compared to lumber, the rate on live stock seems unjust. Yet I find for one reason or another railroads now charge less for transporting live stock than for carrying lumber, though the disparity is not so great under present rates as under this bill. But as the Governor cannot disapprove one section without nullifying the whole measure, and as the judiciary can declare the rate which is fixed on any class of freight unreasonable without affecting the remainder of the bill, I do not believe it would be right to destroy the entire act for this seeming defect. That there should be a re-adjustment of freight rates in this State there can be no question. It is a matter that must be fought out sooner or later. This measure is at least a step in the direction of the solution of the question, for the courts can, if the contention that the rates are unreasonable is insisted upon, after hearing all the evidence and examining into all the facts that are not available, to the Executive, decide upon the reasonableness of the rates, the results of which proceedings would be that the public would be advised as to what rates are reasonable, and the Railroad Commissioners or the next General Assembly can equalize such inequalities of this measure as may be found to exist, if any, and fix such rates as under the law, announced by the courts, are right and just to the railroads and to the people.

Respectfully,

JOS. W. FOLK, *Governor.*

5096 EXHIBIT 55.

The Reasons Why the Proportionate Part of the Expenses Chargeable to State Freight Should be Determined Upon a Revenue and Not Upon a Ton Mile Basis.

(1) Such is the way it has always been actually ascertained in previous litigation; it was used as the basis of the bills in final decrees and actually adopted by the courts in cases where a decision upon the point was necessary. (Smythe v. Ames, 64 Fed. Rep. 165, affirmed, 169 U. S. 466, 42 L. Ed. 819; C. M. & St. P. Ry. Co. v. Tompkins, 176 U. S. 167, 44 L. Ed. 417; C. M. & St. P. Ry. Co. v. Keyes, 91 Fed. Rep. 47.)

(2) It is the only certain, simple and uniform method. (*a*) it is the simple method because it is the easiest; given the state and interstate freight earnings, with the undivided freight expenses, and there only remains an arithmetical problem. (*b*) It is certain because in this way all actual earnings are actually accounted and allowed for, whether arising from that portion of the property wholly devoted to state freight, or that devoted to interstate, or that devoted to both. (*c*) It is the only uniform method, because it is the only method by which a division for all purposes can be made. It is necessary to fix a valuation of that portion of the property which is used for carrying state freight. The courts (Smythe v. Ames, 64 Fed. Rep. 165, 179; C. M. & St. P. R. Co. v. Tompkins, 90 Fed. Rep. 363, 370, 110 Fed. Rep. 473, 475; C. M. & St. P. Ry. Co. v. Keyes, 91 Fed. Rep. 47, 53), the state's expert (Ev. Ludlam, p. 1153, 1154) and complainant agree that this is to be ascertained upon a revenue basis. If such valuation is to be so ascertained upon a basis of revenue, it would not be uniform to adopt a ton mile basis for dividing the expenses. That basis rests for its justification entirely upon the length of the haul, which lessens the expense. Many of the expenses, especially of the terminals, are in no wise affected by the haul. So, the State's expert (Ev. Ludlam, 1274 et seq.) concedes. The freight expenses of Kansas City terminals aggregate $783,647.66 per annum. The St. Louis freight terminal expenses exceed those of Kansas City. The expenses of other terminals are necessarily great. Although the state's expert (Ev. Ludlam, 1274–1275) claims that some of the terminal expense if affected by the length of the haul because trains with long hauls pass through the terminals, yet he admits (Ev. Ludlam, 1355, 1358, 1359) that the local terminal expense is three times as great as the terminal expense of the freight passing
5097 through. The result of his contention is that so much of the terminal expense as is not affected by the length of the haul should not be computed upon a ton mile basis. The state's expert says (Ev. Ludlam, 1274, 1276, 1280) that it should be upon a ton, as distinguished from a ton mile basis, that the valuation upon which a return is to be had should be upon a gross revenue basis (id. 1153, 1154), that rentals should be divided (id. 1282, 1428) upon the basis of the ton miles moving over the rented track, as distinguished from

the ton mile basis applicable to the entire state, and that as between passenger and freight business interest should be divided according to net revenue (id. 1429) and not, as decided by the courts (C. M. & St. P. Ry. Co. v. Smith, 110 Fed. Rep. 473, 475) upon gross revenue, but as between state and interstate freight upon (id. 1281, 1282) a ton basis. Lack of uniformity is necessarily the result of the state's contention, for the *gross* revenue basis would have to be applied to valuation, *net* revenue to interest as between passenger and freight business, the ton basis to such portion of the terminal expenses as was not affected by the length of haul, and as to interest so far as it concerns state and interstate freight, the ton mile basis for the entire state to all other expenses, excepting rentals, to which should be applied the basis of ton miles only which moved over the rented track. The contention of complainant is that the simple, certain, uniform method is the revenue basis, and such is the method in general use.

(3) The many reasons given by the expert witnesses as to why expenses should be divided according to revenue are not attempted to be here repeated.

(4) It is absolutely impossible to reliably compare state and interstate freight expenses upon a ton mile basis unless the Character and amount of tonnage in each shipment and the cars in each train be taken into consideration. The waste space and loss of tonnage, and the loss of cars in a train make necessary elements to be considered in the comparison. Especially is this true upon the Missouri Pacific Railway where the Missouri retail dealers have the most of their shipments to and from Kansas City and St. Louis, all of which is state business. Whenever at one local point a shipment is unloaded, there is waste space left, though the train may move on dis-
5098 tributing its loads. The same thing is true in bringing loads from the country into these cities. This is not limited to freight in less than carload lots, because in carload lots the cars are distributed and taken into the train at different points, so that between these different points the number of cars in a train may differ, and necessarily the amount of tonnage carried. So in state business the waste tonnage in the cars carried is very much greater than in the interstate business. The amount of interstate traffic in parcels is trifling compared to the volume of interstate business, where as a very large portion of the state business is of that character.

(5) In handling state and interstate business, and local and through trains, of the elements of expense to be considered, the following are some where no aid can be derived from the comparison made upon a ton mile basis: The time consumed between stations; additional fuel consumed at each station where there is a stop; wear and tear of the locomotives and cars from increased stops, and from shifting cars from main to side tracks; wages of employés at intermediate stations; cost of insurance; cost of billing and handling freight at terminals.

(6) So, while the waste space, loss of tonnage, loss in cars carried, terminal expense and other matters mentioned have an important bearing upon the question of the expense as between state and interstate business, not one of such items is affected by the length of haul.

Upon the other hand, the shortness of the haul is one of the elements which makes it cost more to do state than interstate business. Therefore, a comparison upon a ton mile basis, the foundation of which is *length* of haul, would be improper.

5099 EXHIBIT 56.

Complainant's Final Exhibit.

1. General Final Statement.

(*a*) Inasmuch as the World's Fair was in 1904, which the state claims made it an abnormal year so far as concerns railroad traffic in Missouri, this statement will be based upon the figures of 1905; the various compilations of the state being based upon purported figures for that year or some part thereof.

(*b*) Taking the year 1905 as the basis of a final statement, the earnings, expenses and sums (itemized for future reference) to be charged are:

Item 1. Earnings from state freight (Infra. Div. 3).	$1,658,527.67
Item 2. Less operating expenses of state freight upon the basis of revenue i. e., 29.27% of all freight operating expenses in Missouri (Infra, div. 5)	1,230,311.83
Leaving	$428,215.84
Item 3. Less like proportion of the expenses of taxes and rental, or 19.70% of $282,826.77 (Infra. Div. 6)	55,716.87
Leaving	$372,498.97
Item 4. Less like proportion of Interest or 19.70% of $1,341,053.50 (Infra. Div. 7)	264,187.54
Leaving	$108,311.43
Item 5. Return at the rate of 6% upon the excess in value of the property assignable to state freight over the mortgage debt, i. e., 19.70% of $14,524,057.98, or $2,861,239.42 (Infra. Div. 8)	171,674.37
Deficit	$63,362.94
Item 6. Decrease if there be put in force the act of 1905, (Infra. Div. 9)	74,699.68
Total Deficit	$138,062.62

5100 Item 7. Extra cost of state freight over interstate freight ..... $.....

(*c*) There would be a difference of $28,635.96 in favor of complainant in the result, if, in deducting from $372,498.97 (the

amount of earnings less operating expenses, taxes and rentals, as set forth in item 3) there should not be made separately any deduction on account of bonded interest. If that deduction should be made for a 6% return upon the investment, irrespective of mortgage bonds, the result would be:

Amount of earnings left after deducting operating expenses, taxes and rentals, as shown by Item 3	$372,498.97
Items 4 and 5. Less return at the rate of 6% upon the value of the property in Missouri assignable to local traffic, or 19.70% of $39,300,157.98, i. e., $7,742,131.12 entire valuation in Missouri upon which taxes are levied	464,527.87
Deficit	$92,028.90
Item 6. Decrease if there be put in force the act of 1905	$74,699.68
Deficit	$166,728.58
Item 7. Extra cost of state freight over interstate freight	$.....
Deficit	$.....

5101 2. Percentages.

(*a*) Exhibit 5*a* correctly gives the freight earnings, while 5*b* gives all earnings from all sources. The amounts and percentages are as follows:

Character of earnings.	Amount.	Percentage of freight, of passenger, of miscellaneous and rentals respectively.	Percentage of all earnings.	
Interstate Frt.	$4,008,434.24	70.73	47.62	
State Freight	1,658,527.67	29.27	19.70	
Total "	5,666,961.91	100.		67.32
Interstate Passenger	875,078.87	66.61	10.40	
State "	1,745,466.65	33.39	20.74	
All "	2,620,545.52	100.		31.14
Misc. & Rentals State	53,156.07	41.08	.63	
Misc. & Rentals Interstate	76,240.40	58.92	.91	
All Misc. & Rentals	129,396.47	100.		1.54
All Earnings	8,416,903.90			100.

The result is that upon a division according to revenue, state freight expenses are 29.70 of all freight operating expenses (4,203,-320.24).

(*b*) The foregoing table was prepared from Exhibit 5*b*, which reads:

The Missouri Pacific Railway Company.

Statement of Earnings, State of Missouri, Year Ending December 31, 1905.

	Intrastate.	Interstate.	Total.
From freight.....	$1,632,856.14	$3,777,390.45	$5,410,246.59
From switching, demurrage & storage	25,671.53	231,043.79	256,715.32
From passenger...	1,325,234.12	664,426.35	1,989,660.47
From Mail & Express	420,232.53	210,652.52	630,885.05
From Miscellaneous	37,123.16	33,294.91	70,418.07
Total.....	$3,441,117.48	$4,916,808.02	$8,357,925.50
Rent Earnings (Missouri's ppn., 85% of $69,386.35)			58,978.40
			$8,416,903.90

5102 The amount of state and interstate freight earnings is as there shown and as above tabulated. The amount of state and interstate passenger earnings as so shown by Exhibit 5*b* has, for convenience, been included in passenger earnings, mail and express, because in the main it is carried upon passenger trains, and because no question as between such earnings is involved here. Exhibit 5*b* separately states the earnings from miscellaneous sources, rent earnings were not divided at all as between state and interstate. Therefore, these items, for this table are treated as a whole and divided upon a revenue basis as between state and interstate, i. e., upon the basis of a percentage of earnings of all interstate and state earnings.

5103 3. Item 1, State Freight Earnings.

The general earnings from state freight in 1905 were $1,658,527.67 as shown in Exhibit 5*b*. This sum is liberal because it allows to the state as freight earnings all earnings from switching, demurrage and storage to freight traffic because they are assumed by Exhibit 5*a* to be incidental thereto. The state's expert concedes the correctness of Exhibits 5*a* and 5*b*, and they were proven to be correct by complainant's witness Johnson and Roth. It is true that in the preparation of Exhibit 19 the state put into interstate earnings all earnings from Missouri livestock shipments to and from Kansas City (without allowing anything upon account of earnings from livestock shipments to or from northerly or westerly points), as part interstate earnings.

Exhibit 19, according to the state's expert, puts $10,423.35 into interstate earnings on this account for Missouri livestock, taking this sum from state earnings. As exhibit 19 shows all interstate earnings to represent about one-tenth of a year, this would amount to $104,-233.50, or about $100,000 per annum. Taking this as substantially the figure, complainant would be glad to avail itself of the change to treat this traffic as interstate. This would reduce state freight earnings from $1,658,527.67, Ex. 5*a* and 5*b* (or 29.27% of all freight, Ex. 6) to $1,558,527.67 (or 27.50% of all freight earnings, or 18.52% of all earnings), so that if this change were made, the account would stand:

Earnings from State freight	$1,558,527.67
Less operating expenses of state freight on basis of revenue, i. e. 27.50% of all fr't operating expenses, $4,203,320.24	1,155,913.07
Leaving	$402,614.60
As against that shown (supra. Div. 1) where these earnings were treated as state fr't	428,215.84
Leaving a difference in favor of complainant	$25,601.24

5104 4. Item 2, Total Freight Operating Expenses, State and Interstate.

(*a*) In dealing with expenses, operating expenses are treated separately and apart from taxes, rental and interest, not only because it tends to clearness, but also because the state having so treated them in all of its statements, the testimony can be more readily applied to the respective contentions of the parties.

(*b*) The total of the freight operating expenses, $4,203,320.24 (Ex. 5*a*) was, with the exception of the Kansas City terminal expense, admitted to be correct. What amount, if any, should be deducted on account of Kansas City terminals will be separately considered. This is done because there will in any event be a deficit and it will tend to clearness to show the same from the standpoint of the method in which the accounts are kept, and as the last item, deduct such sum, if any as ought upon such account to be deducted from the expenses in Missouri. When, however, the total freight operating expenses, state and interstate, are ascertained the question arises as to the distribution between the two classes of business, state and interstate. This will next be considered.

5105 5. Item 2 (*T*ontinued), Total Freight Operating Expenses Divided As Between State and Interstate, Upon a Revenue Basis.

(*a*) All freight operating expenses were $4,203,320.24 (Ex. 5*a*). These, if apportioned as between (Ex. 5*a* and 5*b*) interstate freight earnings, $4,008,434.24, and state freight earnings, $1,658,527.67, would make (Ex. 6) 70.73% or $2,973,008.41 of all freight operat-

ing expenses chargeable to interstate, and 29.27% or $1,230,311.83, to state freight.

(*b*) This division is made upon a revenue basis because it is deemed to be right; is sustained by the weight of the evidence; is the simplest method available, and is the only method by which there can be any uniform division or apportionment.

(*c*) If Item 2, no attempt has been made to allow anything for the extra cost of doing the state freight business, that subject being left for Item 7, hereafter to be considered, because it is manifest that there is a deficit, if nothing be allowed for that extra cost.

5106 6. Item 3, Taxes and Rentals.

(*a*) So far, only operating expenses have been dealt with. Exhibit 5*a* correctly shows as to taxes and rentals, this:

1905.	Freight.	Passenger.	Total.
Taxes	111,601.14	116,156.29	227,757.43
Rentals	26,983.98	28,085.36	56,069.34
Total	$138,585.12	$144,241.65	$282,826.77

(*b*) So much of Exhibit 5*a* as shows the foregoing was made arbitrarily upon a train mileage basis, because at the time so made up the passenger earnings had not been ascertained. For the purpose of this case, the suggestion of the state's expert may be adopted, and the division made upon the revenue basis.

(*c*) Upon the revenue basis, the interstate and state freight earnings are as hereinbefore shown (Div. 2 hereof), respectively 47.62% and 19.70% of all earnings. Therefore, as between state and interstate freight, the total expenses of taxes and rentals should be thus divided:

	Percentage.	Amount.
Interstate freight	47.62	$134,682.11
State freight	19.70	55,716.87
All other traffic	32.68	92,427.79
Total	100.	$282,826.77

5107 7. Item 4, Interest.

(*a*) In Exhibit 5*a* interest was thus dealt with:

"1905.	Freight.	Passenger.	Total.
Interest on Bonded Indebtedness	657,116.32	683,937.28	1,341,053.50"

In showing the foregoing, merely an arbitrary division upon a freight mileage basis was made, because the passenger earnings had not then been ascertained. The way suggested by the state's expert may be adopted and this division be made upon the basis of revenue.

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Interstate and state freight earnings are respectively 47.62% and 19.70% of all earnings.

(*b*) The interest charge as a whole is correctly shown by Exhibit 39, and the amounts of the bonds and annual interest are:

Bonds.	Annual interest.
$7,000,000.00	$280,000
2,573,000	128,650
800,000	40,000
237,500	10,687.50
3,828,000	267,960
650,000	32,500
9,687,600	581,256
$24,776,100.00	$1,341,053.50

(*c*) Apportioning this annual interest to interstate and state freight in their proportion of 47.62% and 19.70% respectively, there is this result:

1905.	Percentage.	Amount to be apportioned.
Interstate freight	47.62	$638,609.68
State Freight	19.70	264,187.54
All other traffic	32.68	438,256.28
Total	100.	$1,341,053.50

5108 8. Item 5, Interest Upon Investment.

(*a*) The value of the property in Missouri cannot be less than that fixed by the state Board of Equalization for taxing purposes, three times $13,100,052.66, or $39,300,157.98. Deducting from this sum the amount of the mortgages (Supra. Div. 7) $24,776,100, there is left $14,524,057.98 of value in excess of mortgage indebtedness. Apportioning this valuation upon the basis of revenue, and figuring return of 6 per cent thereon, which is the lawful rate in Missouri, there is this result:

1905.	Percentage.	Amount.	6% return.
Interstate freight	47.62	$6,916,356.41	$414,981.38
State freight	19.70	2,861,239.42	171,674.37
All other traffic	32.68	4,746,462.15	284,787.73
Total	100.	$14,524,057.98	$871,443.48

5109 9. Item 6, Decrease in Earnings by the Act of 1905.

(*a*) Exhibit 5*a* shows this:

Earnings on commodities affected at old rates, 1905	$227,499.77
Earnings on same commodities at new rates	152,800.09
Decrease in earnings at new rates	$74,699.68

Decreased per cent in earnings 32.83%.

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(*b*) This statement is conceded to be correct by the state's experts, unless the contention is right that the railroad company should be required to apply the new rate to the entire haul in miles actually made, and not to the distances which are, and have been fixed by competitive conditions. This difference is less than $10,000, being only $9,658.40, according to Mr. Tolliver, one of the state's experts, which would only result in reducing the $74,699.68 to $65,041.28.

(*c*) In any event the earnings if thus decreased are only to be deducted from the deficit already shown, and this in no wise affects the result, because, allowing therefor, there will still be a large deficit, without regard to the extra cost of doing the state business.

5110 10. Item 7, Extra Cost of Doing State Freight Business.

(*a*) This question of extra cost has cut a large figure in the testimony. There is independently of this item, a deficit. Hence, just as with the question of the Kansas City terminals, it could be eliminated and there would still be a deficit.

(*b*) If the state freight business cost more than interstate, the extra cost of operation is ascertained in this way: State freight earnings are 29.27% of all, and interstate 70.73%. The proposition is to find the difference between 29.27% and the cost of doing the state business, after allowing for the extra expense. This, for example, now shown upon the basis of it costing 50% more, twice and three times as much.

(*c*) Upon the basis of 50%:

$$\text{State.....}\ 29.27 \times 1\tfrac{1}{2} = 43.90 = \frac{43.90}{114.63} = 38.30 \text{ of all expenses}$$

$$\text{Interstate.}\ \frac{70.73 \times 1}{100.} = \frac{70.73}{114.63} = 61.70 \text{ of all expenses.}$$

As there has already been calculated and allowed in Item 2 for 29.27% of all operating expenses, the extra cost is represented by the difference between 38.30% and 29.27%, or 9.03% of all operating expenses, $4,203,320.24 or $379,559.81+

(*d*) Upon the basis of twice the cost:

$$\text{State.....}\ 29.27 \times 2 = \frac{58.54}{129.27} = 45.29\% \text{ of all expenses.}$$

$$\text{Interstate.}\ \frac{70.73 \times 1}{129.27} = \frac{70.73}{129.27} = 54.71\% \text{ of all expenses}$$

As there has already been calculated and allowed for in Item 2 29.27% of all expenses, the extra cost is represented by the difference between 45.29% and 29.27% or 16.02% of all operating expenses $4,203,320.24, or $673,371.90.

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5111 (*e*) Upon the basis of three times the cost:

State..... $29.27 \times 3 = 87.81 = \frac{87.81}{158.54} = 55.39$ of all expenses

Interstate. $\frac{70.73 \times 1}{100.} = \frac{70.73}{158.54} = \frac{70.73}{158.54} = 44.61$ of all expenses

As there has already been calculated and allowed for in Item 2, 29.27% of all expenses, the extra cost is represented by the difference between 55.39% and 29.27% or 26.12% of all operating expenses, $4,203,320.24, or $1,097,907.25.

(*f*) Even if the extra cost should be ascertained upon a ton mile basis, there would be a large sum to be added to the deficit. According to Exhibit 19 the percentage of ton miles as between interstate and state is 86.02% and 13.98%, but as this was only for one month and upon an improper basis, the figures were by the state's expert reapplied in Exhibit 30*a*, which shows interstate to be 83.14% and state 16.86%. Ascertaining the extra cost upon this basis, the result is:

5112 Upon the basis of three times extra cost.

State. $16.86 \times 3 = 50.58 = \frac{50.58}{133.72} = 37.82 - 16.86\% = 20.96\%$

Inter-state. $\frac{83.14 \times 1}{100.} = \frac{83.14}{133.72} = \frac{83.14}{133.72} = 62.18\%$

The extra cost is the difference between 37.82% and 16.86%, 20.96% of all operating expenses, or $881,015.91.

5113 11. Upon a Ton Basis, or Upon the Ton Mile Basis with State Business Costing three Times as Much as Interstate.

(*a*) For the purpose of comparison, Division 1 hereof can be considered upon the tonnage basis. Exhibit 30*b* shows the interstate tonnage to be 70.91% and state 29.09 per cent. The latter is about .2 per cent less than the percentage upon the revenue basis. .2% of all operating expenses, $4,203,320.24, is $8406.64, so that the net result upon the tonnage basis would be to deduct this sum from $138,062.62 in Item 6, Division — hereof, which would make the deficit $129,655.98 plus the extra cost of doing state business.

(*b*) Upon the basis of ascertaining all expenses upon the ton mile theory, assuming that it cost three times as much to do state freight business as interstate, there would still be a very large deficit, because, as already shown (Div. 10) if it costs three times as much, the total proportion of operating expenses to go to state business is 37.82 per

cent, or 8.55 per cent more than the 29.27 per cent already allowed in Item 2, Division 1, or $359,383.88, which would be added to the deficit of $138,062.62 shown by Item 6.

5114 12. Item 2, (Continued), State Freight Earnings as Affected by the Kansas City Terminals.

(*a*) The expenses for the Kansas City terminals have all been charged to Missouri, and are included (Ex. 5*a*) in all Missouri operating expenses, $6,361,294.89. A statement (Ex. 11) for the last six months of 1905 shows that $391,823.83, or 93.06%, was charged to freight, and $29,254.58, or 6.94%, to passenger expenses. These figures indicate that $783,647.66 was in a year included in freight expenses of which 29.27% or $229,373.67, was upon this account necessarily included in state freight expenses. The question is whether this is an excessive charge upon account of which some deduction from earnings ought to be made.

(*b*) The state line runs through the state line yards, and switching and yord work is constantly done across it and without respect to it, so that it is impracticable and utterly impossible to make up any separate account upon a wheelage basis. The net earnings of the terminals from work for other companies, $54,802.01 (Ex. 32) goes to Missouri—none to Kansas or any other state. The tonnage from the Omaha line, or lines to the north and northwest to and from Kansas City, represents (Ex. 11*a*) 12.32% of all tonnage, or 50.476 tons per month, which according to Exhibit 19, would yield a revenue to the company of 83.29 cents per ton, or $42,041.46 per month, or $504,497.52 per year. None of the earnings from such tonnage and revenue is credited to Missouri, with the exception of $1278.27 (Ex. 33) handled at the Grand Avenue station, and earnings from switching, demurrage and storage that would be derived from the 50/476 tons per month at Kansas City. Dividing these latter earnings on the basis of the tonnage (as shown by Exhibit 11*a*) consigned to or from Kansas City, about 20% of the $54,802.01, or $10.960.40 is credited to Missouri in excess of its correct
5115 proportion. This expense was charged wholly to Missouri because of the location of terminal division, and was so charged long before this litigation arose and irrespective of it. 87.68% of the tonnage (Ex. 11*a*) of freight, east, west and south of Kansas City does not cross the state line so as to make any use of any substantial portion of the terminals in Kansas, except the few tracks in the state line yards west of the state line, from which Missouri gets all the revenue. The theory upon which the accounts were so kept was that matters were about equalized and it was not unfair to make the total charge to Missouri in view of the fact that it was credited with all the net earnings from switching and obtained no freight revenue from 12.32% of the tonnage.

(*c*) Of the total mileage in the terminals (Ex. 11) 16.92 miles, 12.36 miles, or 73.05% are in Missouri, and 4.56 miles, or 26.95% are in Kansas. Even if this could possibly be said to represent a basis of division to be adopted, then from the $229.373.67 charged to state freight, there should be deducted only 26.95 per cent, or

$61,816.20 less than the deficit already shown. But such a division would be manifestly unfair, because only part of the traffic uses any portion of the terminals in Kansas. No freight traffic to or from the south and west, destined to or from the east, aggregating (Ex. 11*a*) 28.85% of the tonnage, makes any use of any part of the Kansas terminals. Traffic to or from Kansas City, Missouri, not destined over the Omaha line, or 48.61%, makes no substantial use of them. Kansas City, Missouri is over three times as large, as Kansas City, Kansas, the census showing the population to be 163,752 and 51,418 respectively. The portion of the terminals in Missouri has thereon the expensive improvements. The Kansas part of the terminals is not worth 10% of the whole. If, therefore, the track mileage
5116 is to be considered, it is to be borne in mind that the 26.95% in Kansas only accommodates a part of the business, i. e. a part of 12.32% tonnage to or from Kansas City and the Omaha line and 9.62% (Ex. 11*a*) of tonnage to or from the Omaha line and points beyond Kansas City. Therefore, Kansas could not have the benefit of the full percentage, not even one-half thereof, not more than its mileage proportion of 26.95% of 21.94% or 5.91% of all. This would be only $13,555.98 to be deducted from $229,373.67—allowing nothing to Kansas for terminal earnings.

(*d*) A table has been prepared of the tonnage handled at these terminals for the month of October, and the same has been produced as Exhibit 11*a*.

Total tons handled at the Kansas City terminals.	409,500
Total tons consigned to or from either Kansas City and the Omaha line.....	50,476 or 12.32%
Total tons to or from Kansas City, Missouri, and directions other than the Omaha line.....	199,050 or 48.61%
Total tons passing through Kansas City, not touching Kansas terminals.....	118,137 or 28.85%
Tone passing through but touching Kansas terminals	39,379 or 9.62%
Tons to or from Kansas City, Kansas and directions other than Omaha line.....	2,458 or .60%

The total tons consigned to or from either Kansas City and Omaha line 50,476 or 12.32%, are 20% of all tonnage consigned to or from both Kansas City, Missouri and Kansas City, Kansas, or 251,984 tons.

5117 # 2, Cross-examination of D. C. Buell in Missouri Maximum Freeght Rate Case, February 2, 1907.

30.18 x 6 equals 181.08 equals 72% of all expenses.
69.82 x 1 " 69.82 " 28% of all expenses.

250.90

72% of 4,999,021.58 equals.....	$3,599,295.54
State Earnings "	1,632,856.14
Loss of	1,966,439.40

So that to make up this loss by additional rates they should be increased $1,966,439.40.

D. C. BUELL.

5118 The Tax return of the Missouri Pacific Railway Company for June 1st 1904 is omitted from this record in accordance with the stipulation of parties in words and figures as follows:

"In preparing the transcript of the record in the Railroad Rate Cases, for the United States Supreme Court, you may omit copying "Tax return of Missouri Pacific Railway Company, June 1, 1904" as it is not essential to an understanding of the case.

FRANK HAGERMAN,
Counsel for Complainants.
SANFORD B. LADD,
Counsel for Defendants.

Exhibit 36*b* referred to in the certificate of the Trial Judge is also omitted in accordance with the stipulation in words and figures as follows:

"In preparing the transcript of the record in the Railroad Rate Cases for the United States Supreme Court, it will be unnecessary to incorporate in it a copy of the blue print 'plan of the Kansas City Stock Yords and vivinity' being Exhibit 36*b* in the Missouri Pacific Railway Company case. You may therefore omit this, as it will be unnecessary for a proper understanding of the case.

FRANK HAGERMAN,
Counsel for Complainants.
SANFORD B. LADD,
Counsel for Defendants."

The exhibits referred to in the certificate of the Trial Judge as "Tax return of the Missouri Pacific for June 1st, 1905, the 26th Annual Report of the Missouri Pacific Railway, Exhibit- 34 and 24, in case No. 2995. Also seven analytical sheets of the Missouri Pacific Railway upon form # 1939, and seven analytical sheets of the Missouri Pacific Railway upon form # 1941 and two analytical sheets of the Missouri Pacific Railway upon form # 1940, in case No. 2995," are in words and figures as follows, to-wit:

11-1906. D.D.

TAX RETURN

—OF THE—

Missouri Pacific Railway Co.

JUNE 1ST, 1906.

5119

Filed this 13th day
March 1907
(Sgd) Wm. W. Wilder
State Auditor.

2465

TAX RETURN

—OF—

THE MISSOURI PACIFIC RAILWAY COMPANY.

S. L. HIGHLEYMAN, Tax Commissioner, ST. LOUIS MO.

Aggregate and detailed Report of Property Returned for Taxation on the first day of June, 1905. Pursuant to Section 9339-9340 Revised Statutes, 1899, of Missouri, entitled "Assessment and Taxation of Railroads."

2466

5119-½

MAIN LINE.

ST., LOUIS, MO., TO KANSAS CITY, MO.

Miles.	Description of Property.	Value per Mile.	Total Valuation.
	ROAD BED		
283.37	Main line in State of Missouri	$10,000.00	$ 2,833,700.00
2,528.66	Main line out of State		
	Side Tracks in State of Missouri (valuation included in main line), statement attached		
	Right of way 100 feet wide and additional grounds for depots, side tracks, etc., (valuation included in main line)		
2,812.03	Total valuation of main line, side tracks, right of way, etc., in Missouri		$2,833,700.00

SCHEDULE OF SECTIONS OF ROADWAY LOCATED IN SEVERAL COUNTIES IN STATE.

MAIN LINE.

Miles.	Counties.		Value in Counties.
2.47	St. Louis City (old limits)	$10,000.00	$ 24,700.00
4.56	St. Louis City (new limits)	"	45,600.00
29.49	St. Louis	"	294,900.00
38.50	Franklin	"	385,000.00
16.28	Gasconade	"	162,800.00
23.83	Osage	"	283,300.00
24.40	Cole	"	244,000.00
24.01	Moniteau	"	240,100.00
7.30	Morgan	"	73,000.00
6.52	Cooper	"	65,200.00
25.50	Pettis	"	255,000.00
37.01	Johnson	"	370,100.00
13.50	Cass	"	135,000.00
30.00	Jackson	"	300,000.00
283.37 miles.			$ 2,833,700.00

[1] Mo Pac.

MAIN LINE.

ST. LOUIS, MO., TO KANSAS CITY, MO.

COUNTIES.

Sections of the track within the limits of all the counties, municipal townships, cities and incorporated towns of Missouri.

ST. LOUIS.

Length.	In City.	In Township.		In County.
7.03 miles	St. Louis	Old Limits,	2.47 miles.	
		New Limits,	4.56	7.03 miles.

ST. LOUIS COUNTY.

2.20 miles	Webster Groves	Central,	6.49	
		Carondelet,	6.00	
1.00 "	Kirkwood	Bonhomme,	7.00	
0.10 "	Pacific	Meramec,	10.00	29.49 miles

FRANKLIN.

1.30 miles	Pacific	Coles,	13.50	
2.00 "	Washington	Washington,	10.00	
1.00 "	New Haven	Beauf,	15.00	38.50 miles

GASCONADE.

1.30 miles	Herman	Roark,	9.50	
1.00 "	Morrison	Richland,	6.78	16.28 miles.

OSAGE.

1,34 miles	Chamois	Benton,	10.59	
		Linn,	13.24	23.83 miles.

COLE.

		Liberty,	3.50	
1.75 miles	Jefferson City	Jefferson,	12.30	
		Marion,	8.60	24.40 miles.

MONITEAU.

1.00 mile	California	Walker,	9.43	
0.75 "	Clarksburg	Moreau,	6.75	
1.20 "	Tipton	Willow Fork,	7.83	24.01 miles.

COOPER.

0.20 mile	Otterville	Lebanon,	6.52	6.52 miles.

MORGAN.

		Mill Creek,	7.30	7.30 miles.

PETTIS.

0.50 miles	Smithton	No. 9,	5.50	
2.35 "	Sedalia	No. 10,	7.00	
		No. 6,	7.00	
0.50 "	Lamonte	No. 5,	6.00	25.50 miles.

JOHNSON.

0.75 miles	Knob Noster	Washington,	5.00	
	Montserrat	Montserrat,	4.25	
1.80 "	Warrensburg	Warrensburg,	7.48	
		Centerview,	7.25	
1.50 "	Holden	Madison,	6.50	
0.50 "	Kingsville	Kingsville,	6.53	37.01 miles.

CASS.

		Polk,	5.00 6.27	
1.74 miles	Pleasant Hill	Pleasant Hill,	3.50 3.95	
		Big Creek,	5.00 3.28	13.50 miles.

JACKSON.

0.60 mile	Lee's Summit	Prairie,	7.00	
		Brooking,	4.50	
1.38 "	Independence	Blue,	11.50	
		Kaw,	3.00	
	Kansas City Limits, 1875		2.69	
	Kansas City Limits, 1885		1.31	30.00 miles.

Total length of road in Missouri ..... 283.37 miles.

[2] Mo. Pac.

5120

2467

ROLLING STOCK AND ALL OTHER MOVABLE PROPERTY.

The following Rolling Stock is used on the entire length of road that the Company operates, except as herein reported, being 2,812.03 miles. Of this length of road 2,528.66 miles are located in Kansas, Nebraska and Colorado, and the pro rata share of the Rolling Stock which is necessary to operate the road in Kansas, Nebraska and Colorado is taxed there:

Description.	Number.	Each.	Value.
			1,712,000.00
Locomotives	~~434~~ 428	$4,000.00	~~$1,736,000.00~~
Dining cars	13	5,000.00	65,000.00
Cafe cars	2	3,500.00	7,000.00
Passenger cars	~~137~~ 120	2,250.00	308,250.00
Chair cars	~~64~~ 77	3,500.00	224,000.00
Pay and Business cars	13	3,500.00	45,500.00
Baggage, Mail and Express cars	~~59~~ 61	1,500.00	88,500.00
Baggage cars	~~33~~ 46	1,000.00	33,000.00
Postal cars	~~29~~ 21	2,000.00	58,000.00
Caboose cars	~~171~~ 176	400.00	68,400.00
Flat cars	~~431~~ 564	200.00	86,200.00
Coal cars	~~6,169~~ 5711	200.00	1,233,800.00
Dy Steel	500		
Merchandise cars	~~12,408~~ 13922	250.00	3,102,000.00
Furniture cars	~~277~~ 298	250.00	69,250.00
Stock cars	~~558~~ 887	250.00	139,500.00
Push cars	460	15.00	6,900.00
Hand cars	460	20.00	9,200.00
Salt Cars	31	150.00	4650.00
~~Service cars~~	~~1,226~~	~~200.00~~	~~245,200.00~~
Wrecking Cars	45	450.00	20,250.00
~~All other cars~~	~~70~~	~~200.00~~	~~14,000.00~~
Miscellaneous property, including, wood, coal, ties, materials and supplies for repairs, depot office furniture, etc., located in the several depots and offices along the line of railways			28,120.30
~~Total value of Rolling Stock, etc., on 2,812.03 miles~~			~~$7,687,920.30~~
~~[3] Mo. Pac.~~			
Road + Water cars (Float)	560	200.00	112,000.00
Pile Drivers	4	1000	4,000.00
Derrick Cars	10	450.	4,500.00
Cinder Cars	83	150.	12,450.00
Boarding Cars	267	200.00	53,400.00
			$8,056,120.30

[3] Mo Pac Total value of Rolling Stock, etc. on 2812.03 miles

2468

5121

MAIN LINE.

BUILDINGS ON RIGHT OF WAY.

Depots and other buildings situated on the right of way in the several counties, and claimed to be appurtenances thereof:

CITIES AND COUNTIES.

ST. LOUIS CITY.

Stations.	Descriptions.	Value.	
St. Louis	Platforms, depots, other buildings, and Seventh St. depot and contents	$20,000.00	
Biddle Street	Freight depot, 20x250, wood ~~(old)~~	300.00	
~~—~~	~~—~~ ~~38x583, brick, slate roof~~	~~10,000.00~~	
4th Street	Safety gates and watch house	50.00	
5th Street	" " " "	50.00	
6th Street	" " " "	50.00	
23rd Street	Coal house, 9x9, wood	5.00	
"	Signal house, 12x29, wood	100.00	
"	Superintendent's Office, 30x60, brick	300.00	
Ewing Ave.	Safety gates and watch houses	50.00	
Compton Ave.	" " " "	50.00	
Theresa Ave.	" " " "	50.00	
Spring Ave.	2 small houses	20.00	
Vandeventer Ave.	Safety gates and watch house	50.00	
Tower Grove	Passenger depot, 22x62, brick	1,000.00	
"	Section tool house, 7x13, wood	10.00	
"	Lamp house, 5x8, wood	5.00	
"	Coal house, 5x12, wood	5.00	
Howard	Passenger depot, 16x38, wood	100.00	
"	Coal house, 6x6, wood	5.00	
"	Stand pipe	25.00	
"	Track scales, 36 tons	100.00	
Taylor City	Switch house, 12x24, wood	300.00	
"	Coal house, 6x6, wood	5.00	
Benton	Passenger depot, 20x60, wood	250.00	
"	2 coal boxes, 6x5, wood	10.00	
Ellendale	Passenger depot, 16x24, wood	200.00	
"	Coal box, 6x5, wood	5.00	23,100.00
"	Watch house, 5x6, wood	5.00	$ ~~38,100.00~~

ST. LOUIS COUNTY.

Sutton	Passenger depot, 16x20, wood	$ 10.00	
Edgebrook	" " 16x24, wood	10.00	
Lake Junction	" " 14x16, wood	25.00	
"	Coal house, 6x16x6, wood	5.00	
Tuxedo Park	Passenger depot, 23x33, stone	250.00	
"	Addition, 7x15, stone		
"	Coal box, 5x8x5, wood	5.00	
Webster Park	Passenger depot, 20x40, wood	200.00	
"	Platform, 2,016 sq. ft., wood	25.00	
"	Coal house, 10x16, wood	5.00	
Webster	Combination depot, 21x70, wood	200.00	
"	Platform, 1,680 sq. ft., wood	20.00	
"	Watch house, 6x6, wood	5.00	
"	Safety gates	20.00	
"	Section tool house, 7x9x13, wood	5.00	
Glendale	Passenger depot, 12x16, wood	20.00	
Oakland	Passenger shed, 8x16, wood	20.00	
Woodlawn	Passenger depot, 14x16, wood	25.00	
"	Coal box, 6x12x6, wood	5.00	
Kirkwood	Passenger depot and extension, 30x72, stone	2,000.00	
"	Platform, 5,090 sq. ft., concrete	100.00	
"	Watch house, 6x8, wood	5.00	
"	Engine house, 3 stalls	500.00	
"	Turn table, 60 ft., wood	200.00	
"	Car Repairer's Office, 11x16, wood	5.00	
"	Coal bin, 11x48x3, wood	10.00	
"	Dry sand house, 8x12x5, wood	10.00	
"	Section tool house, 7x9x13, wood	10.00	
Barretts	Combination depot, 20x32, wood	200.00	
"	Coal house, 5x8x4, wood	5.00	
"	Watch house, 6x6, wood	5.00	
	St. Louis County forward		$ 3,905.00
	Amount forwarded		$ ~~33,100.00~~
			23,100.00

5122

2409

Stations.	Descriptions.	Value.	
Amount brought forward			$ 23,100.00
St Louis County brought forward		$ 3,905.00	
ST. LOUIS COUNTY—C ntinued.			
Valley Park	Combination depot, 20x32, wood	$ 100.00	
"	5,600 sq. ft. platform	10.00	
"	Coal house, 6x12x6, wood	5.00	
"	Section house, 16x24, wood	100.00	
"	Stock yards, 32x47	25.00	
"	Section tool house, 4x6x22, wood	10.00	
"	Water station, 16x24	200.00	
"	Coal house, 16x14, wood	10.00	
"	Stand pipe, 6 in. iron	25.00	
Sherman	Combination depot, 16x28, wood	100.00	
"	Platform, 841 sq. ft.	10.00	
"	Coal box, 5x8x4, wood	5.00	
"	Section house, 16x24, wood	50.00	
"	Section tool house, 7x19x13	5.00	
Glencoe	Combination depot, 20x32, wood	100.00	
"	Platform, 1,024 sq. ft.	10.00	
"	Coal house, 6x12x6, wood	5.00	
Eureka	Combination depot, 16x53, wood	100.00	
"	Platform, 1,977 sq. ft.	20.00	
"	Section tool house, 7x9x13, wood	10.00	
"	Coal house, 6x12x6, wood	5.00	
"	Stock yards, 32x47	25.00	
Allenton	Combination depot, 16x40, wood	100.00	
"	Coal box, 5x8x4, wood	5.00	
"	Section house, 16x32, wood	50.00	
"	Stock yards	10.00	
Dozier	Stock yards, 25x32	10.00	$ 5,010.00
FRANKLIN.			
Pacific	Passenger depot, 38x62, brick, half interest	$ 500.00	
"	Freight house, 21x34, wood	100.00	
"	Oil house, 16x20, wood	50.00	
"	Ware house, 36x128, wood	500.00	
"	Carpenter shop, 35x44, wood	50.00	
"	Lumber shed, 35x101, wood	100.00	
"	Blacksmith shop, 40x127, brick	500.00	
"	Pump repair shop, 13x44, wood	50.00	
"	Lumber shed, 20x30, wood	10.00	
"	Machine house, 18x32, wood	20.00	
"	Ice house, 44x92x24, wood	50.00	
"	Car repair shop, 14x16, wood	10.00	
"	Coal bin, 14x49x2, wood	10.00	
"	Section tool house, 10x14, wood	10.00	
"	Water tank, pump house, etc.	150.00	
"	Store room and coal house	10.00	
Gray's Summit	Combination depot, 24x50, wood	200.00	
"	Platform, 816 square feet, wood	10.00	
"	Coal house, 5x12x6, wood	5.00	
"	Stock yards, 50x68	25.00	
Labadie	Combination depot, 16x48, wood	200.00	
"	Coal house, 6x12x6, wood	5.00	
"	Stock yards, 26x53	25.00	
"	Section house, 14x28, wood	150.00	
Boles	Combination depot, 16x32, wood	100.00	
"	Coal house, 6x12x6, wood	5.00	
"	Stock yards, 38x86	25.00	
Washington	Combination depot, 30x102, wood	300.00	
"	Platform, 5,430 square feet, wood	50.00	
"	Coal house, 7x16, wood	5.00	
"	Roadmaster's Office, 15x18, wood	50.00	
"	Ware house, 28x34, wood	20.00	
"	Engine house, 2 stalls	100.00	
"	Turn table, 54 feet	50.00	
"	Coal chutes	200.00	
"	Coal bin	50.00	
"	2 coal sheds	100.00	
"	Stock yards, 32x150	25.00	
"	Water tank and stand pipe, 16x24	150.00	
Dundee	Coal box, 5x8	5.00	
"	Stock yards, 43x121	25.00	
"	Section house, 16x24, wood	25.00	
New Haven	Combination depot, 24x80, wood	200.00	
"	Stock yards, 48x131, wood	25.00	
"	Platform, 880 square feet	10.00	
"	Coal house, 7x8x16, wood	5.00	
Eflah	Combination depot, 16x26, wood	100.00	
"	Stock yards, 60x64	25.00	
"	Water tank and pump house, 16x24	200.00	
Berger	Combination depot, 16x26, wood	50.00	
"	Platform, 1,280 square feet	5.00	
"	Coal house, 6x12x6, wood	5.00	
"	Stock yards, 58x130	25.00	$ 4,675.00
Amount forwarded			$ 42,785.00

[5] Mo. Pac.

32,785.00

2170

5123

Amount brought forward				$ 48,795.00

CASCONADE.

Stations.	Descriptions.	Value.	
Hermann	Combination depot, 30x100, wood	$ 500.00	
"	Platform, 624 square feet	10.00	
"	Coal box, 5x8x4 ,wood	5.00	
"	Section tool house, 14x15, wood	10.00	
"	Stock yards, 40x153	25.00	
Gasconade	Combination depot, 20x50, wood	200.00	
"	Platform, 400 square feet	5.00	
"	Coal house, 6x12x8, wood	5.00	
"	Water tank and pump house, 16x24	200.00	
"	Section house, 16x30, wood	100.00	
Morrison	Combination depot, 20x42, wood	150.00	
"	Platform, 2190 square feet	20.00	
"	Stock yards, 25x115	25.00	
"	Section tool house	15.00	
"	Coal house, 6x12x6	5.00	$ 1,275.00

OSAGE.

Chamois	Combination depot, 22x60, wood	$ 200.00	
"	Platform, 800 square feet	10.00	
"	Turn table, 59 feet	100.00	
"	Coal shed, 18x196, wood	50.00	
"	Water tank, 16x24	200.00	
"	Pump house, 14x16, wood	50.00	
"	Coal bin, 5x10x28	10.00	
"	Tool house, 7x9x13, wood	10.00	
"	Stock yards, 63x163	25.00	
St. Aubert	Combination depot, 20x50, wood	200.00	
"	Platform, 1508 square feet	15.00	
"	Coal house, 6x12x6	5.00	
"	Section tool house, 9x12x8, wood	10.00	
"	Stock yards, 48x64	25.00	
Isbel	Combination depot, 16x40, wood	100.00	
"	Platform, 760 square feet	10.00	
"	Stock yards, 30x62 feet	25.00	
Bonnots Mill	Combination depot, 35x90, wood	300.00	
"	Platform, 1024 square feet	10.00	
"	Coal house, 6x12x8, wood	5.00	
"	Stock yards, 20x88	25.00	
"	Tool house, 7x9x13	10.00	$ 1,395.00

COLE.

Osage	Combination depot, 24x60, wood	250.00 $ ~~200.00~~	
"	Platform, 1186 square feet	10.00	
"	Coal box, 6x12x6, wood	5.00	
"	Ice house, 27x37x20, wood	150.00	
"	Stock yards, 34x104	25.00	
"	Section house, 16x24, wood	100.00	
"	Tool house, 7x9x13, wood	10.00	
"	Water tank, 14x20	250.00	
"	Pump house, 14x16, wood	20.00	
"	Coal house, 12x16, wood	10.00	
Jefferson City	Freight depot, 30x121, wood	250.00	
" "	Platform, 3052 square feet	30.00	
" "	Coal house, 6x12x6, wood	5.00	
" "	Road Master's Supply room, 14x17, wood	10.00	
" "	Carpenter repair room, etc	10.00	
" "	Track scales	100.00	
" "	Yard Office, 22x38, wood	200.00	
" "	Passenger depot, platform, etc., 36x87	6,000.00	
" "	Lamp and oil house, 7x8x12	10.00	
" "	Coal chutes, 24 pockets	500.00	
" "	Sand house and chutes, 9x20, wood	50.00	
" "	Foreman's office, 20x40, wood	100.00	
" "	Turn table, steel	500.00	
" "	Oil house	100.00	
" "	Stock yards, 86x45	25.00	
" "	Section tool house, 14x16	10.00	
" "	Water tank, 14x20	300.00	
" "	Water tank, 14x20	300.00	
Scott	Coal house, 8x16x8, wood	5.00	
"	Section tool house, 7x9x13, wood	10.00	
"	Section house, 16x24, wood	100.00	
"	Stock yards, 15x13	25.00	
Elston	Coal box, 5x8x5, wood	5.00	
"	Section tool house, 8x14x7, wood	10.00	
"	Stock yards, 31x47	25.00	
Centretown	Combination depot, 20x33, wood	100.00	
"	Platform, 722 square feet	10.00	
"	Stock yards, 40x101	25.00	965.00
"	Coal box, 5x8x5, wood	5.00	$ ~~9,802.00~~
Amount forwarded			$ ~~55,055.00~~

45.105.00

5124

Amount brought forward				$ 55,055.00

MONITEAU.

Stations.	Descriptions.	Value.	
McGirks	Stock yards, 17x120	$ 25.00	
"	Section tool house, 7x9x13, wood	5.00	
California	Combination depot, 30x102, wood	300.00	
"	Coal house, 7x8x16, wood	5.00	
"	Section house, 16x24, wood	100.00	
"	Water tank, 14x16	200.00	
"	Water tank, 16x24	300.00	
"	Pump house, 14x16, wood	10.00	
"	Pumper's residence, 14x28, wood	20.00	
"	Section tool house, 7x13, wood	10.00	
"	Stock yards, 96x170	25.00	
Clarksburg	Combination depot, 20x50, wood	200.00	
"	Platform 728 square feet	10.00	
"	Coal house, 6x12x6, wood	5.00	
"	Stock yards, 20x121	25.00	
Tipton	Combination depot, 30x96, wood	300.00	
"	Platform, 3095 square feet	30.00	
"	Coal box, 6x12x6, wood	5.00	
"	Stock yards, 24x40	25.00	
"	Section tool house, 7x30, wood	10.00	
"	Car Repairer's store room, 7x8	10.00	
"	Water tank, 16x24	300.00	
"	Coal house, 15x6, wood	10.00	
"	Stock yards, 67x27	25.00	
"	Coal bin, 10x6	10.00	$ 1,965.00

MORGAN.

Syracuse	Combination depot, 30x60, wood	$ 200.00	
"	Platform, 736 square feet	10.00	
"	Section tool house, 7x13	10.00	$ 220.00

COOPER.

Otterville	Combination depot, 30x60, wood	$ 200.00	
"	Platform, 784 square feet	10.00	
"	Coal bin, 10x40x4	5.00	
"	Stock yards, 58x51	25.00	$ 240.00

PETTIS.

Smithton	Combination depot, 24x60, wood	$ 300.00	
"	Platform, 3140 square feet	30.00	
"	Stock yards, 58x130	25.00	
"	Coal house, 6x6	5.00	
"	Section house, 12x14, wood	100.00	
Sedalia	Passenger depot, 36x126, brick	5,000.00	
"	Platform, 6196 square feet	50.00	
"	Passenger shed, 18x136, wood	100.00	
"	Battery room, 9x18, brick	50.00	
"	Store room, 20x110, wood	100.00	
"	Foreman's Office, 28x78, brick	150.00	
"	Lumber shed, 18x29	10.00	
"	Coal house, 12x40, wood	10.00	
"	Coal house, 16x30, wood	10.00	
"	Store room, 16x24, wood	20.00	
"	Freight depot, 30x192, wood	400.00	
"	Platform, 9940 square feet	50.00	
"	2 Watch houses, 6x6, wood	10.00	
"	Section tool house, 9x12, wood	10.00	
"	Water tank, 16x24	200.00	
"	Track scales, 90 tons	150.00	
Dresden	Depot, 24x50, wood	200.00	
"	Coal bin, 5x8, wood	5.00	
"	Stock yards, 96x100	25.00	
Lamonte	Depot, 24x72, wood	400.00	
"	Pumper's residence, 14x28, wood	50.00	
"	Coal bin, 5x8, wood	5.00	
"	Stock yards, 104x128	25.00	
"	Water tank, 16x24 and engine house	300.00	$ 7,790.00
Amount forwarded			$ 85,270.00

2472

5125

Amount brought forward			$ ~~65,270.00~~ 55370 00

JOHNSON.

Stations.	Descriptions.	~~Value.~~	
Knobnoster	Depot, 24x75, wood	$ 300.00	
"	Coal bin, 5x12, wood	5.00	
"	Section tool house, 9x13, wood	10.00	
"	Stock yards, 95x185	25.00	
Montserrat	Depot, 16x40, wood	100.00	
"	Section house, 16x32, wood	100.00	
"	Coal bin, 5x12, wood	5.00	
"	Section tool house, 9x13, wood	10.00	
"	Stock yards, 64x128	25.00	
Warrensburg City—			
(Warrensburg Twp.)	Passenger depot, 24x79, stone	2,000.00	
"	Freight depot, 24x80, wood	200.00	
"	Coal bin, 6x12, wood	5.00	
"	2 Section tool houses, 9x13, wood	20.00	
"	Watch house, 6x6, wood	5.00	
"	Crossing gate, iron	10.00	
"	Water tank, (supplied by city), 16x24	200.00	
"	Track Scales, 36 feet	100.00	
"	Stock yards, 106x193	25.00	
"	Stock scales, 8x14, wood	20.00	
Centerview	Depot, 16x40, wood	200.00	
"	Coal bin, 6x10, wood	5.00	
"	Stock yards, 76x136	25.00	
"	Section tool house, 9x13, wood	10.00	
Holden	Passenger depot, 24x55, wood	500.00	
"	Freight depot, 24x64, wood	100.00	
"	Water tank, 16x24 (supplied by city)	100.00	
"	2 Coal houses, 8x16, wood	10.00	
"	Road Master's office, 16x26, wood	25.00	
"	Oil house, 8x10, wood	5.00	
"	Section tool house, 8x10, wood	5.00	
"	Stock yards, 84x220	25.00	
"	Stock scales, 8x14, wood	20.00	
Kingsville	Depot, 20x50, wood	200.00	
"	Section house, 16x24, wood	100.00	
"	Coal bin, 6x12, wood	5.00	
"	Stock yards, 48x88	25.00	
"	Section tool house, 9x13, wood	10.00	$ 4,535.00

CASS.

Strasburg	Depot, 16x40, stock yards, etc	$ 200.00	
Pleasant Hill City—			
(Pleasant Hill Tp.)	Depot, 26x196, brick	2,000.00	
"	2 Water tanks, 16x24	400.00	
"	Pump house, wood	10.00	
"	Ice house, wood	10.00	
"	Coal house, wood	5.00	
"	Coal Chutes	250.00	
"	2 Sand chutes	50.00	
"	Fuel Foreman's office, 10x12, wood	5.00	
"	Car Repairer's office, 16x24, wood	20.00	
"	2 coal storage bins, 17x88, wood	25.00	
"	Watch house, 6x8, wood	5.00	
"	Section tool house, 9x13, wood	10.00	
"	Stock yards, 80x160	25.00	$ 3,015.00
Amount forwarded			$ ~~72,820.00~~ 62,920.00

5126

2473

Amount brought forward			62,920.00 $ ~~72,920.00~~

JACKSON.

Stations.	Descriptions.	Value.	
Greenwood	Depot, 20x50, wood	$ 200.00	
"	Coal bins, 6x12, wood	5.00	
"	Stock yards, 102x120	25.00	
"	Stock Scales, 8x14	20.00	
Lee's Summit	~~Depot, 24x145, brick~~	~~1,000.00~~	
"	Section house, 16x24, wood	100.00	
"	Section tool house, 9x13, wood	10.00	
"	Stock yards, 66x238, wood	25.00	
"	Stock scales, 8x16, wood	20.00	
Little Blue	Water tank, 16x24 and engine house	200.00	
"	Depot, 16x40, and platform, wood	200.00	
"	Section house, 16x40, wood	100.00	
"	Coal bin, 6x16, wood	10.00	
"	Stock yards, 98x139, wood	25.00	
Independence (Blue Township)	Depot, 24x79, wood	300.00	
" "	Section house, 16x32, wood	100.00	
" "	Coal house, 9x10, wood	10.00	
" "	Section tool house, 8x10, wood	5.00	
" "	Water tank, 16x24 (ppplied by city)	200.00	
" "	Turn table, 54 feet	50.00	
" "	Dry sand house, 9x14, wood	5.00	
" "	Stock yards, 99x106, wood	25.00	
Kansas City (Kaw Twp.)	Freight depot, 30x376, wood, Grand Ave	500.00	
" "	Passenger depot, 27x47, wood, Grand Ave	300.00	
" "	General office building, 55x75, brick, Hickory Street	3,000.00	
" "	Freight depot and other buildings, 40x612, State line	4,000.00	
" "	Engine house, 25 stalls, brick	3,000.00	
" "	Turn table, 70 feet, steel	500.00	
" "	Oil house, 50x74, brick	700.00	
" "	Pump house, 16x24, wood	25.00	
" "	Water tank, 16x24, wood	300.00	
" "	Blacksmith Shop, wood	100.00	
" "	Coal chutes, 40 pockets, wood	1,000.00	
" "	Two sand chutes, 9x20, wood	100.00	
" "	Watch house, 6x6, wood	5.00	
" "	Track Scales, 36 feet	100.00	
" "	Section tool house, 9x13, wood	10.00	
" "	Watch house, 6x6, wood	5.00	
" "	Switch house, 8x10, wood	5.00	
" "	Watch house, Santa Fe St., 6x6, wood	5.00	
" "	" Mulberry St., 8x10 "	5.00	
" "	" Hickory St., 7x10 "	5.00	
" "	Carpenter Shop, 18x20, wood	50.00	
" "	Road Master's office, 14x19, wood	25.00	15,385.00
" "	Switch house, 6x12, wood	10.00	$ 16,385.00
Total value of depots and buildings on main line			$ ~~80,305.00~~ 78,305.00

2474

5127

LEXINGTON & SOUTHERN BRANCH.

PLEASANT HILL TO JOPLIN.

CASS COUNTY.

Length.	In City.	In Township.		In County.		
		Pleasant Hill	0.95 miles.			
		Big Creek	2.81 "			
		Peculiar	6.00 "			
0.43 mile	Harrisonville	Grand River	7.03 "			
0.25 "	Archie	Grand River				
		Austin	6.00 "	22.79 miles.	$5,000.00	$113,950.00

BATES COUNTY.

		Deer Creek	5.39 miles.			
		Mound	5.98 "			
0.50 mile	Butler	Mt. Pleasant	6.28 "			
0.50 "	Adrian	Lone Oak	4.15 "			
1.07 "	Rich Hill	Osage	7.60 "			
		New Home	0.74 "	30.14 miles	$5,000.00	$150,700.00

Old Mount Pleasant Township, 9.29 miles.

VERNON COUNTY.

0.25 mile	Milo	Osage	8.32 miles.			
		Washington	6.03 "			
0.50 "	Nevada	Center	6.76 "			
0.50 "	Sheldon	Drywood	7.92 "	29.03 miles.	$5,000.00	$145,150.00

BARTON COUNTY.

		Union	6.06 miles.			
		Daylsport	0.10 "			
1.00 mile	Lamar	Lamar	6.12 "			
		Richland	8.23 "	20.51 miles.	$5,000.00	$102,550.00

JASPER COUNTY.

0.50 mile	Jasper	Preston	6.87 miles			
2.31 "	Carthage	Marion	8.63 "			
0.25 "	Carytown	Jackson	3.52 "			
0.20 "	Carterville	Mineral	3.05 "			
0.17 "	Carterville	Joplin	7.40 "			
3.12 "	Webb City	Joplin				
1.49 "	Joplin	Joplin				
0.35 "	Joplin	Galena	0.35 "	29.82 miles.	$5,000.00	$149,100.00
	Total length of Lexington & Southern Branch			132.29 miles.		$681,450.00

NOTE.—Length of track in Marion and Mineral Townships as the boundary lines existed November 1st, 1871:

Marion Township (including Carthage City) ..... 12.15 miles.

Mineral Township (including Webb City and Carterville City) ..... 10.45 "

5128

ROLLING STOCK AND ALL OTHER MOVABLE PROPERTY.

The following is an Approximate Average of Rolling Stock used on the Lexington & Southern Branch.

Description.	Number.	Each.	Value.
Locomotives	~~20~~ 13	$4,000.00	$80,000.00
Passenger cars	~~15~~ 17	2,000.00 ~~2,250.00~~	34,000.00 ~~33,750.00~~
~~Chair Cars~~	~~8~~	~~3,500.00~~	~~28,000.00~~
Baggage, Mail and Express cars	6	1,500.00	9,000.00
Baggage cars	6	1,000.00	6,000.00
Caboose cars	15	400.00	6,000.00
Flat cars	~~30~~ 25	200.00	5,000 ~~6,000.00~~
Coal cars	220	200.00	44,000.00
Merchandise cars	~~600~~ 490	250.00	122,500.00 ~~150,000.00~~
Furniture cars	~~15~~ 10	250.00	2,500.00 ~~3,750.00~~
Stock cars	40	250.00	10,000.00
Push cars	20	15.00	300.00
Hand cars	20	20.00	400.00
Wrecking Cars	5	450.00	2250.00
Service cars	60	~~200.00~~ 200.00	~~12,000.00~~ 12,000.00
Road Water Cars-Feet	12	152.00	1500.00
Caster Cars	10	200.00	14,000.00
~~All other cars~~	~~70~~	~~200.00~~	~~14,000.00~~
Bonding Cars	10	200.00	2000.00
Miscellaneous property, including wood, coal, ties, materials and supplies for repairs, depot office furniture, etc., located in the several depots and offices along the line of railways			1,322.90
Total value of Rolling Stock, etc., on 132.29 miles			~~$438,272.00~~ 301,172.90

[11] Mo Pac.

2476

5129

BUILDINGS ON RIGHT OF WAY.

LEXINGTON & SOUTHERN BRANCH.

Depots and other buildings situated on the right of way in the several counties, and claimed to be appurtenances thereof:

CASS COUNTY.

Station.	Description.	Value.	
Ore	Stock yards, 48x90	$ 25.00	
Harrisonville (Grand River Tp.)	Depot, 26x96, wood	200.00	
" "	Coal house, 6x12, wood	5.00	
" "	Stock yards, 48x96	25.00	
" "	Section house, 16x28, wood	100.00	
" "	Sand house, 10x10, wood	10.00	
Lone Tree	Depot, 20x32, wood	150.00	
"	Coal house, 6x12, wood	5.00	
"	Stock yards, 32x68, wood	25.00	
"	Section house, 14x28, wood	100.00	
Archie (Austin Tp.)	Depot, 16x62, wood	200.00	
" "	Coal house, 6x12, wood	5.00	
" "	Stock yards, 90x108	25.00	
" "	Water tank, 16x24, wood	150.00	
" "	Pump house, 10x12, wood	10.00	
" "	Coal house, 8x28, wood	10.00	$1,045.00

BATES.

Adrian (Deer Creek Tp.)	Depot, 16x72, wood	$ 200.00	
" "	Coal house, 6x12, wood	5.00	
" "	Stock yards, 78x120, wood	25.00	
Butler City (Mount Pleasant Tp.)	Depot, 24x104, wood	300.00	
" "	Water tank, 16x24 (supplied by city)	100.00	
" "	Coal house, 8x12, wood	5.00	
" "	Turn table, 54 feet	100.00	
" "	Coal bin, 12x30, wood	10.00	
" "	Sand house, 10x12, wood	10.00	
" "	Stock yards, 74x148, wood	25.00	
Ovid City (Lone Oak Tp.)	Section house, 16x32, and other buildings	300.00	
Rich Hill (Osage Tp.)	Depot, 24x90, wood	300.00	
" "	Water tank, 16x23 (supplied by city)	100.00	
" "	Coal house, 6x12, wood	5.00	
" "	Store room, 18x24, wood	25.00	
" "	Stock yards, 94x101, wood	25.00	
" "	Car repair shop, 10x12, wood	10.00	$1,545.00

VERNON.

Panama	Depot, 16x40, wood	$ 150.00	
"	Coal box, 6x12, wood	10.00	
"	Scale house, 8x10, wood	10.00	
Arthur	Depot, 16x40, wood	150.00	
"	Coal box, 6x12, wood	10.00	
"	Stock yards, 44x92, wood	25.00	
Horton	Depot, 26x40, wood	150.00	
"	Coal box, 5x8, wood	5.00	
"	Stock yards, 48x144, wood	25.00	
"	Water tank, 16x24, wood	100.00	
"	Pump house, 12x14, wood	10.00	
"	Coal platform, 9x12, wood	5.00	
Nevada City	Turn table, 60 feet, iron	150.00	
"	Boiler house, 14x26, wood	50.00	
"	Foreman's Office, 14x30, wood	25.00	
"	Sand house, 14x30, wood	20.00	
"	2 section houses, 14x26, wood	200.00	
"	Water tank, 12x18, wood	100.00	
Milo	Depot, 20x32, wood	150.00	
"	Coal box, 5x8, wood	5.00	
"	Stock yards, 32x128, wood	25.00	
Sheldon	Depot, 16x40, wood	150.00	
"	Section house, 16x32, wood	100.00	
"	Stock yards, 92x96, wood	25.00	
"	Coal box, 5x8, wood	5.00	$1,655.00
	Amount forwarded		$4,245.00

5130

Amount brought forward			$ 4,245.00

BARTON COUNTY.

Station.	Description.	Value.	
Irwin	Depot, 16x40, wood	$ 150.00	
"	Coal house, 6x12, wood	5.00	
"	Stock yards, 48x104, wood	25.00	
Lamar City	Depot, 24x60, wood	300.00	
"	Water tank, 14x14 (supplied by city)	100.00	
"	Coal house, 6x12, wood	10.00	
"	Stock yards, 86x90, wood	25.00	
Boston	Depot, 16x40, wood	150.00	
"	Coal house, 5x8, wood	5.00	
"	Stock yards, 32x126, wood	25.00	$ 795.00

JASPER.

Jasper	Depot, 16x40, wood	$ 150.00	
"	Coal box, 5x8, wood	5.00	
"	Stocks yard, 102x114, wood	25.00	
Carytown	Depot, 20x32, wood	100.00	
"	Coal box, 5x8, wood	5.00	
"	Stock yards, 48x96, wood	25.00	
Carthage	Depot, 24x124, wood	400.00	
"	Water tank, 14x24 (supplied by city)	100.00	
"	Coal house, 6x12, wood	5.00	
"	Stock yards, 90x120, wood	25.00	
Webb City	Depot, 24x124, wood	400.00	
"	Coal house, 6x12, wood	5.00	
"	Stock yards, 24x100, wood	25.00	
"	Watch house, 6x6, wood	5.00	
Joplin	Freight house, 24x60, wood	300.00	
"	Passenger depot, 24x48, brick	500.00	
"	Water tank, 14x20 (supplied by city)	100.00	
"	Coal house, 6x12, wood	5.00	
"	Watch house, 6x6, wood	5.00	
"	Car repair shop, 38x38, wood	200.00	
"	Turn table, 56 feet	100.00	
"	Sand house, 10x20, wood	25.00	
"	Coal bin, 11x56, wood	25.00	
"	Stock yards, 35x48, wood	25.00	$ 2,560.00
	Total value depots and buildings, Lexington & Southern Branch		$ 7,600.00

2178

5131

KANSAS CITY, LEXINGTON, BOONVILLE & JEFFERSON CITY LINE.

KANSAS CITY TO COLE JUNCTION.

JACKSON COUNTY.

Length.	In City.	In Township.		In County.
2.35	Kansas City	Kaw	4.85	
		Blue	.88	
		Blue	.60	
	A., T. & S. F. Ry. (7.82)	Blue		
		Blue	3.49	
		Ft Osage	3.64	
		Ft. Osage	7.68	21.14 miles.

LAFAYETTE.

0.20	Napoleon	Clay	8.82	
0.80	Wellington	Clay		
1.50	Lexington	Lexington	7.20	
		Lexington	10.13	
		Dover	8.65	
0.70	Waverly	Middleton	6.17	40.97 miles.

SALINE.

0.45	Malta Bend	Grand Pass	10.81	
		Marshall	15.54	
0.17	Napton	Arrow Rock	2.24	
1.00	Nelson	Salt Fort	4.74	
		SPUR TO MARSHALL.		
1.22	Marshall	Marshall	2.09	35.42 miles.

COOPER.

0.50	Blackwater	Lamine	12.55	
1.00	Boonville	Boonville	11.24	
		Saline	9.00	32.79 miles.

MONITEAU.

		Linn	13.80	13.80 miles.

COLE.

		Marion	7.40	
		Jefferson	5.50	12.90 miles.
	Total length of line			157.02 miles.

5132

3478

ROLLING STOCK AND ALL OTHER MOVABLE PROPERTY.

The following is an Approximate Average of Rolling Stock used on the

Kansas City-Lexington-Boonville-Jefferson City Line.

Description.	Number	Each.	Value.
Locomotives	~~15~~ 12	$ 4,000.00	~~$60,000.00~~ 48,000.00
Passenger cars	15	~~2,250.00~~ 2,000.00	~~33,750.00~~ 30,000.00
~~Chair cars~~	~~2~~	~~3,500.00~~	~~7,000.00~~
~~Baggage, Mail and Express~~	~~6~~ 7	1,500.00	~~9,000.00~~ 10,500.00
~~Baggage cars~~	~~6~~	~~1,000.00~~	~~6,000.00~~
Caboose cars	15	400.00	6,000.00
Merchandise cars	~~600~~ 460	250.00	~~150,000.00~~ 115,000.00
Furniture cars	~~15~~ 10	250.00	~~3,750.00~~ 2,500.00
Stock cars	30	250.00	7,500.00
Flat cars	~~25~~ 20	200.00	~~5,000.00~~ 4,000.00
Road + Water Cars (Flat) Service cars	5 ~~60~~	200.00	~~12,000.00~~ 1,000.00
Coal cars	210	200.00	42,000.00
Wrecking Cars All other cars	5 ~~10~~	~~200.00~~ 450.00	2,250.00 ~~2,000.00~~
Hand cars	25	20.00	500.00
Push cars	25	15.00	375.00
Miscellaneous property, including wood, coal, ties, materials and supplies for repairs, depot office furniture, etc., located in the several depots and offices along the line of railway			1,570.20
Total value of rolling stock, etc., on 157.02 miles			~~$ 346,445.20~~ 271,195.20

2480

5133

BUILDINGS ON RIGHT OF WAY.

KANSAS CITY TO COLE JUNCTION.

Depots and other buildings situated on the right of way in the several counties and cities and claimed to be appurtenances thereof:

JACKSON COUNTY.

Stations.	Descriptions.	Value.	
Adams	Stock yards, 55x98, wood	$ 25.00	
Lake City	Depot, 16x24, and section house, 16x30, wood	100.00	
"	Water tank and pump house, 24x16, wood	200.00	
"	S ock yards, 40x40, wood	25.00	
"	Coal bin, 5x8, wood	5.00	
Buckner	Depot, 20x50, wood	200.00	
"	Coal bin, 5x8, wood	5.00	
"	Stock yards, 53x106, wood	25.00	
Levasy	Stock yards, 25x150, wood	25.00	$ 610.00

LAFAYETTE.

Napoleon (Clay Twp.)	Stock yards, 37x76, wood	25.00	
" "	Coal bin, 5x8, wood	5.00	
Waterloo "	Depot, 16x24, wood	100.00	
" "	Stock yards, 48x98, wood	25.00	
" "	Coal bin, 6x8, wood	5.00	
Wellington	Depot, 16x32, wood	300.00	
"	Coal bin, 6x12, wood	5.00	
"	Stock yards, 48x100, wood	25.00	
Myrick (L xington Twp.)	Turn table, 54 feet	50.00	
" "	Car repair shop, 12x17, wood	20.00	
" "	Coal bin and oil house, 6x16, wood	10.00	
" "	Coal chutes, 9 pockets	300.00	
" "	Depot, 16x24, wood	200.00	
" "	Track scales, 36 feet	100.00	
Gladys	Water tank and pump house, 12x16, wood	200.00	
"	Coal house, 6x16 wood	10.00	
Northrup	Section house, 14x28, wood	100.00	
"	Stock yards, 40x200, wood	25.00	
Dover (Dover Twp.)	Depot, 20x50, wood	200.00	
" "	Section house, 14x28, wood	100.00	
Hodge "	Depot, 16x40, wood	150.00	
" "	Stock yards, 46x104, wood	25.00	
Waverly (Middleton Twp.)	Depot, 20x50, wood	200.00	
" "	Coal bin, 5x8, wood	5.00	
" "	Section Tool house, 9x13, wood	10.00	
" "	Track scales, 8x14	20.00	
" "	Stock yards, 37x144, wood	25.00	$ 2,240.00

SALINE.

Grand Pass	Depot, 20x50, wood	$ 200.00	
"	Water tank, 16x24, wood	150.00	
"	Pump house, 12x12, wood	20.00	
"	Stock yards, 54x152, wood	25.00	
Malta Bend	Depot, 20x50, wood	200.00	
"	Stock yards, 56x150, wood	25.00	
"	Stock scales, 8x14, wood	20.00	
Blosser	Stock yards, 36x48, wood	25.00	
Stanhope	Depot, 20x50, wood	150.00	
"	Section house, 14x28, wood	100.00	
"	Stock yards, 64x152, wood	25.00	
Marshal Junction	Water tank, 16x24, wood	100.00	
"	Pump house, 12x12, wood	25.00	
"	Coal house, 8x12, wood	10.00	
"	Telegraph office, 10x14, wood	25.00	
Marshall	Depot, 20x60, brick	2,000.00	
"	Freight depot, 20x100, wood	200.00	
"	2 Coal bins, 8x12, wood	20.00	
"	Stock yards, 80x104, wood	25.00	
Naptonville	Depot, 20x50, wood	200.00	
"	Coal bin, 5x8, wood	5.00	
"	Section house, 14x28, wood	100.00	
"	Stock yards, 80x112, wood	25.00	
Nelson	Depot, 20x50, wood	200.00	
"	Coal bin, 5x8, wood	5.00	
"	Stock yards, 48x152, wood	25.00	$ 3,905.00
	Amount forwarded		$ 6,755.00

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Amount brought forward				$ 6,755.00

COOPER.

Stations.	Descriptions.	Value.		
Blackwater	Depot, 16x40, wood	$ 200.00		
"	Section house, 14x28, wood	100.00		
"	Coal bin, 6x12, wood	10.00		
"	Section tool house, 9x13, wood	10.00		
"	Coal chutes, 6x26, wood	50.00		
"	Sand chutes, 9x26, wood	50.00		
"	Water tank, 16x24, wood	200.00		
"	Pump house, 14x16, wood	50.00		
"	Oil house, 4x6, wood	5.00		
"	Stock yards, 48x200, wood	25.00		
Lamine	Depot, 16x40, wood	200.00		
"	Section house, 14x28, wood	100.00		
"	Coal bin, 5x8, wood	5.00		
"	Stock yards, 48x104, wood	25.00		
"	Section tool house, 9x13, wood	10.00		
Boonville	Stock yards, 39x106	25.00		
"	Passenger depot, 32x103, brick	2,000.00		
"	Coal house, 8x14, wood	10.00		
"	Water tank, 14x20, wood	200.00		
"	Section house, 12x14, wood	30.00		
"	Section tool house, 7x13, wood	10.00		
"	Combination depot, 32x74	200.00		
"	Coal house, 6x6, wood	5.00		
"	Track Scales, 36 feet	100.00		
"	Stock, yards, 74x80, wood	25.00		
Elliott	Combination depot, 20x50, wood	200.00		
"	Coal box, 6x6, wood	5.00		
"	Stock yards, 40x104, wood	25.00		
Overton	Combination depot, 20x50, wood	200.00		
"	Coal house, 6x6, wood	5.00		
"	Stock yards, 28x132, wood	25.00		
"	Section house, 14x28, wood	100.00		
"	Section tool house, 7x13, wood	15.00	$	4,220.00

MONITEAU.

Lupus	Combination depot, 24x60, wood	$ 300.00		
"	Stock yards, 40x105, wood	25.00		
"	Coal house, 6x6, wood	5.00		
"	Section house, 12x14, wood	15.00		
"	Section tool house, 7x13, wood	10.00		
"	Water tank, 16x24, wood	200.00		
"	Pump house, 14x16, wood	10.00		
Sandy Hook	Combination depot, 24x60, wood	300.00		
"	Coal house, 6x6, wood	5.00		
"	Stock yards, 40x105, wood	25.00	$	895.00

COLE.

Marion	Combination depot, 24x60, wood	$ 300.00		
"	Coal house, 6x6, wood	5.00		
"	Stock yards, 40x102, wood	25.00		
"	Section house, 14x28, wood	100.00		
"	Tool house, 7x13, wood	10.00		
Cole Junction	Section house, 14x28, wood	100.00		
"	Section Tool house, 9x13, wood	10.00	$	550.00
Total value of depots and buildings, Kansas, City Lexington, Boonville, Jefferson City Line....			$	12,420.00

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5135

BRANCH LINES IN MISSOURI.

Miles.	Name of Branch.	From	To	Per Mile.	Total Valuation.
			ROAD BED, RIGHT OF WAY, ETC.		
6.30	Oak Hill Branch	Tower Grove	to Tesson Street	$ 10,000.00	$ 63,000.00
11.28	Carondelet Branch	Kirkwood	to Carondelet	6,000.00	67,680.00
11.60	Creve Coeur Lake Branch	Laclede	to Creve Coeur	6,000.00	69,600.00
45.00	Lebanon Branch	Jefferson City	to Bagnell	4,000.00	180,000.00
54.46	Lexington Branch	Sedalia	to Lexington	5,000.00	272,300.00
32.47	Minden Branch	Nassau	to Kansas Line	4,000.00	129,880.00
20.70	Paola Branch	Cecil Junction	to Kansas Line	7,500.00	155,250.00
13.75	Independence Branch	Rock Creek	to Lake City (via Independence)	3,500.00	48,125.00
21.32	Ft. Scott Branch	Rich Hill	to Kansas Line	4,500.00	95,940.00
24.88	Webb City Branch	Oronoga	to Granby	3,500.00	87,080.00
4.58	Grand Falls Branch	Joplin	to Grand Falls	3,500.00	16,030.00
18.10	Asbury Branch	Carthage	to Asbury	3,000.00	54,300.00
42.02	Warsaw Branch	Sedalia	to Warsaw	3,000.00	126,060.00
15.59	Interstate Branch	Monteith	to Kansas Line	3,500.00	54,565.00
44.58	Boonville Branch	Boonville	to Versailles	4,000.00	178,320.00
366.63					$ 1,598,130.00

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5436

BRANCH LINES IN MISSOURI.

Sections of the track within the limits of all the counties, municipal townships, cities and incorporated towns in Missouri.

OAK HILL BRANCH.

TOWER GROVE TO TESSON STREET, CARONDELET.

Length.	In City.	In County.	Total Mile.
	ST. LOUIS CITY.		
6.30 miles	St. Louis	6.30 miles	6.30

CARONDELET BRANCH.

KIRKWOOD TO CARONDELET.

	ST. LOUIS COUNTY.		
		9.20 miles	
	ST. LOUIS CITY.		
2.08 miles	St Louis	2.08 miles	11.28

CREVE COEUR LAKE BRANCH.

LACLEDE TO CREVE COEUR.

	ST. LOUIS COUNTY.		
		11.60 miles	11.60

LEBANON BRANCH.

JEFFERSON CITY TO BAGNELL.

	COLE COUNTY.		
1.00 mile	Jefferson City	22.97 miles	
	MONITEAU COUNTY.		
0.25 mile	Enon	2.76 miles	
	MILLER COUNTY.		
		19.27 miles	45.00

LEXINGTON BRANCH.

SEDALIA TO LEXINGTON.

Length in City.	In City.	In Township.	In County.	
		PETTIS COUNTY.		
1.00 miles	Sedalia	No. 10	2.00 miles	
		No 7	7.00 miles	
0.50 mile	Houstonia	No. 6	1.00 mile	
		No 2	9.73 miles	19.73 miles
		SALINE COUNTY.		
0.50 mile	Sweet Springs	Salt Pond	7.00 miles	7.00 miles
		LAFAYETTE COUNTY.		
0.25 mile	Concordia	Freedom	12.50 miles	
0.50 mile	Higginsville	Davis	4.50 miles	
		Dover	4.00 miles	
1.00 mile	Lexington	Lexington	6.73 miles	27.73 miles
				54.46

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MINDEN BRANCH.

NASSAU TO KANSAS LINE.

VERNON COUNTY.

Length.	In City.	In Township.		In County.	Total Miles
		Center	5.40 miles		
		Deerfield	2.95 miles		
0.50 mile	Moundsville	Moundsville	8.38 miles	16.73 miles	
0.80 mile	Bronaugh				

BARTON COUNTY.

		Barton City	2.24 miles		
		Leroy	4.66 miles		
0.19 mile	Liberal	Ozark	7.84 miles		
		Southwest	1.00 mile	15.74 miles	32.47

PAOLA BRANCH.

CECIL JUNCTION TO KANSAS LINE.

JACKSON COUNTY.

2.00 miles	Kansas City	Kaw	2.45 miles		
		Blue	2.71 miles		
		Westport	6.36 miles		
		Washington	9.18 miles	20.70 miles	20.70

INDEPENDENCE BRANCH.

ROCK CREEK (VIA INDEPENDENCE) TO LAKE CITY.

JACKSON COUNTY.

1.38 miles	Independence	Blue	11.55 miles		
		Ft. Osage	2.20 miles	13.75 miles	13.75

FORT SCOTT CENTRAL RAILWAY.

FT. SCOTT BRANCH.

RICH HILL TO KANSAS LINE.

BATES COUNTY.

		Osage	2.81 miles	2.81 miles	

VERNON COUNTY.

		Richland	7.25 miles		
		Henry	0.90 miles		
0.75 mile	Richards	Metz	8.24 miles		
		Osage	2.12 miles	18.51 miles	21.32

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FORT SCOTT CENTRAL RAILWAY.

WEBB CITY BRANCH.

ORONOGO TO GRANBY.

JASPER COUNTY.

Length.	In City.	In Township.		In County.	Total Miles.
2.00 miles	Webb City	Joplin	5.53 miles.		
2.08 miles	Carterville				
2.76 miles	Oronogo	Mineral	4.67 miles.		
		Jackson	2.10 miles.	12.30 miles.	

NOTE.—Length of track in Mineral Township as the boundary line existed November 1st, 1871:

Mineral Township, including (Webb City and Carterville City) 7.59 miles.

NEWTON COUNTY.

			12.58 miles.	12.58 miles.	24.88

JOPLIN & WESTERN RAILWAY.

GRAND FALLS SPUR.

JOPLIN TO GRAND FALLS.

JASPER COUNTY.

2.27 miles	Joplin	Galena	2.27 miles.	2.27 miles.	

NEWTON COUNTY.

	Grand Falls	Shoal Creek	2.31 miles.	2.31 miles.	4.58

CARTHAGE & WESTERN RAILWAY COMPANY.

CARTHAGE TO ASBURY.

JASPER COUNTY.

			18.10 miles.	18.10	

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Sedalia Warsaw and Southwestern Railway

WARSAW BRANCH.

~~SEDALIA TO WARSAW.~~

PETTIS COUNTY.

1.34 miles	Sedalia		13.05 miles.	13.05 miles.	

BENTON COUNTY.

0.24 miles	Warsaw		28.97 miles.	28.97 miles.	42.02
0.20 miles	Lincoln				
0.20 miles	Cole Camp				

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THE KANSAS & COLORADO PACIFIC RAILWAY COMPANY.

INTERSTATE DIVISION.

MONTEITH TO KANSAS LINE.

BATES COUNTY.

		Lone Oak	1.30 miles.		
0.25 miles	Foster	New Home	6.23 miles.		
0.60 miles	Walnut	Walnut	8.06 miles.	15.59 miles.	15.59

BOONVILLE, ST. LOUIS & SOUTHERN RAILWAY.

The Missouri Pacific Railway Company, Lessee.

BOONVILLE BRANCH.

COOPER COUNTY.

		Kelly	7.50 miles.		
0.40 miles	Bunceton	Palestine	8.50 miles.		
1.00 miles	Boonville	Boonville	7.00 miles.	23.00 miles.	

MONITEAU COUNTY.

0.75 miles	Tipton	Wilson			
0.50 miles	Fortuna		8.82 miles.	8.82 miles.	

MORGAN COUNTY.

0.12 miles	Versailles		12.76 miles.	12.76 miles.	44.58

ROLLING STOCK AND OTHER MOVABLE PROPERTY.

The following is an Approximate Average of Rolling Stock used on Branch Lines in Missouri.

Description.	Number.	Each.	Value.
Locomotives	~~20~~ 16	$4,000.00	~~$80,000.00~~ 64,000.00
Passenger cars	15	2,250.00	33,750.00
Baggage, Mail and Express	~~6~~ 8	1,500.00	~~9,000.00~~ 12,000.00
~~Baggage cars~~	~~4~~	~~1,000.00~~	~~6,000.00~~
Caboose cars	15	400.00	6,000.00
Flat cars	~~25~~ 36	200.00	~~5,000.00~~ 7,200.00
Coal cars	270	200.00	54,000.00
Merchandise cars	~~600~~ 610	250.00	~~150,000.00~~ 152,500.00
Furniture cars	~~15~~ 10	250.00	~~3,750.00~~ 2,500.00
Stock cars	~~30~~ 50	250.00	~~7,500.00~~ 12,500.00
Wrecking Cars ~~Service cars~~	~~60~~ 5	~~200.00~~ 450.00	~~12,000.00~~ 2,250.00
Hand cars	50	20.00	1,000.00
Push cars	50	15.00	750.00
Road and Water Cars (Flat) ~~All other cars~~	~~10~~ 5	200.00	~~2,000.00~~ 1,000.00
Miscellaneous property, including wood, coal, ties, materials and supplies for repairs, depot office furniture, etc., located in the several depots and offices along the line of railway.			3,666.30
Total value of rolling stock, etc., on 366.63 miles			~~$274,416.30~~ 349,366.30

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BUILDINGS ON RIGHT OF WAY.

Depots and other buildings situated on the right of way in the several counties in the State of Missouri, and claimed to be appurtenances thereof:

OAK HILL BRANCH.

TOWER GROVE TO TESSON STREET, CARONDELET.

ST. LOUIS CITY.

Stations.	Descriptions.	Value.	
Shaw Ave	Gates and watch house	$ 50.00	
Kings Highway	Passenger depot, 16x16, wood, octagon	20.00	
Reber Place	" " 16x16, wood, octagon	20.00	
Oak Hill	" " 16x16, wood, octagon	20.00	
"	Water tank, 12x18, wood	100.00	
Chippewa Street	Passenger depot, 16x16, wood, octagon	20.00	
Gravois Ave	Safety gates and watch house, wood	50.00	
Bates Street	Platform and watch house, wood	10.00	
Carondelet Park	Passenger shed, 8x16, wood	10.00	
Ivory Ave	Depot, 22x58, brick	150.00	$ 450.00

CARONDELET BRANCH.

KIRKWOOD TO CARONDELET.

ST. LOUIS CITY.

Carondelet	Water tank, engine house and other buildings	$ 300.00	
Broadway	Passenger depot, 20x63, brick	1,000.00	$ 1,300.00

ST. LOUIS COUNTY.

Grant's	Water tank, 12x17, wood	$ 20.00	$ 20.00
			$ 1,320.00

CREVE COEUR LAKE BRANCH.

LACLEDE TO CREVE COEUR.

ST. LOUIS COUNTY.

Mentor	Depot, 12x14, wood	$ 20.00	
Wilkinson	Depot, 12x14, wood	20.00	
Malcomb	Passenger shed, 18x18, wood	20.00	
Emerson	Depot, 12x14, wood	20.00	
Coleman	Combination depot, 16x40, wood	50.00	
Creve Coeur	Passenger depot, 18x30, wood	50.00	
"	Water station, 14x30, wood	20.00	$ 200.00

LEBANON BRANCH.

JEFFERSON CITY TO BAGNEL

COLE COUNTY.

Lohman	Stock yards, 30x82, wood	$ 25.00	
Russelville	Depot, 16x40, wood	100.00	
"	Coal house, 6x6, wood	5.00	
"	Stock yards, 41x58, wood	25.00	
Enon	Stock yards, 31x74, wood	25.00	$ 180.00

MONITEAU COUNTY.

South Moreau			

MILLER COUNTY.

Olean	Depot, 16x40, wood	$ 150.00	
"	Stock yards, 72x40, wood	25.00	
Eldon	Depot, 16x40, wood	150.00	
"	Stock yards, 40x91, wood	25.00	
Aurora	Depot, 16x40, wood	150.00	
"	Stock yards, 41x72, wood	25.00	
Bagnell	Depot, 20x44, wood	150.00	
"	Water tank, 14x20, wood	150.00	
"	Section house, 20x40, wood	50.00	
"	Stock yards, 32x64, wood	25.00	
"	Turntable	100.00	$ 1,000.00
			$ 1,180.00

LEXINGTON BRANCH.

SEDALIA TO LEXINGTON.

PETTIS COUNTY.

Hughesville	Stock yards, 80x256, wood	$ 25.00	
"	Depot, 16x40, wood	150.00	
Houstonia	Depot, 26x60, wood	100.00	
"	Section house, 16x24, wood	100.00	
"	Coal bin, 5x8, wood	5.00	
"	Stock yards, 150x155, wood	25.00	$ 405.00
	Lexington Branch forwarded		$ 405.00

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LEXINGTON BRANCH—Continued.

SALINE COUNTY.

Stations.	Descriptions.	Value.	
Lexington Branch brought forward			$ 405.00
Sweet Springs	Depot, 24x50, wood	$ 200.00	
"	Water tank and pump house, 16x24, wood	150.00	
"	Coal bin, 6x12, wood	5.00	
"	Stock yards, 150x155, wood	25.00	$ 380.00

LAFAYETTE COUNTY.

Concordia (Freedom Twp.)	Depot, 26x60, wood	$ 200.00	
" "	Coal bin, 6x12, wood	5.00	
" "	Section house, 17x30, wood	100.00	
" "	Stock yards, 53x126, wood	25.00	
Aulville "	Depot, 16x50, wood	200.00	
" "	Stock yards, 48x100, wood	25.00	
Higginsville (Duris Twp.)	Depot, 26x50, wood	200.00	
Page City (Dover Twp.)	Coal house, 6x20, wood	10.00	
" "	Stock yards, 74x117, wood	25.00	
" "	Water tank, 16x24, and pump house	150.00	
" "	Depot, 24x50, wood	200.00	
Lexington (Lexington Twp.)	Stock yards, 60x150, wood	25.00	
" "	Old depot, 26x100, not used	50.00	
" "	Coal bin, 6x12, wood	10.00	
" "	Oil house, 8x10, wood	10.00	$ 1,235.00
			$ 2,020.00

MINDEN BRANCH.

NASSAU, MO., TO KANSAS LINE.

VERNON COUNTY.

Nassau		$	$
Moundsville	Depot, 20x50, wood	200.00	
Bronaugh	Depot, 16x40, wood	150.00	
"	Water tank, 16x24, horse power	100.00	$ 450.00

BARTON COUNTY.

Hannon	Depot, 16x40, wood	$ 150.00	
Liberal	Depot, 20x50, wood	150.00	
Minden	Depot, 16x30, wood	150.00	$ 450.00
			$ 900.00

PAOLA BRANCH.

CECIL JUNCTION TO KANSAS LINE.

JACKSON COUNTY.

Centropolis	Depot, 16x40, wood	$ 150.00	
"	Tool house, 9x13, wood	10.00	
Leeds	Depot, 16x40, wood	150.00	
"	Water tank, 16x24, wood	100.00	
"	Pump house, 12x12, wood		
Dodson	Depot, 16x32, wood	50.00	
"	Section house, 14x28, wood	100.00	
"	Stock yards, 48x48, wood	25.00	
Red Bridge	Depot, 16x32, wood	100.00	
"	Section house, 14x28, wood	100.00	
"	Stock yards, 48x90, wood	25.00	
Martin City	Depot, 16x40, wood	150.00	
"	Stock yards, 48x144, wood	25.00	$ 985.00

INDEPENDENCE BRANCH.

ROCK CREEK TO LAKE CITY.

JACKSON COUNTY.

Independence (Blue Twp.)	Depot, 20x42, wood	$ 200.00	
" "	Other buildings	100.00	$ 300.00

5142

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THE FORT SCOTT CENTRAL RAILWAY.

FORT SCOTT BRANCH.

RICH HILL, MO., TO KANSAS LINE.

VERNON COUNTY.

Stations.	Description.	Value.		
Metz	Depot, 20x50, wood	$ 150.00		
"	Section house, 14x28, wood	100.00		
"	Stock yards, 48x148, wood	25.00		
"	Tool house, 12x12, wood	25.00		
"	Coal house, 5x8, wood	5.00		
Richards	Section house, 14x28, wood	100.00		
"	Coal house, 12x12, wood	10.00		
"	Stock yards	25.00	$	440.00

BATES COUNTY.

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THE FORT SCOTT CENTRAL RAILWAY.

WEBB CITY SPUR.

ORONOGO TO GRANBY.

JASPER COUNTY.

Oronogo		$		
Webb City				
Scotland (Jackson Twp.)	Depot, 16x40, wood	150.00	$	150.00

NEWTON COUNTY.

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JOPLIN & WESTERN RAILWAY.

GRAND FALLS SPUR.

JOPLIN TO GRAND FALLS.

JASPER COUNTY.

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NEWTON COUNTY.

Diamondville	Depot, 16x40, wood	$ 150.00		
"	Stock yards, 36x80, wood	25.00		
Granby	Depot, 20x50, wood	150.00		
"	Coal house, 6x12, wood	5.00	$	330.00

ASBURY BRANCH.

CARTHAGE TO ASBURY.

JASPER COUNTY.

Pursell	Depot, 24x60, wood	$ 200.00		
"	Coal house, 5x8, wood	5.00		
"	Section house, 14x28, wood	25.00		
"	Tool house, 9x13, wood	10.00		
Asbury	Section house, 14x28, wood	100.00		
"	Water tank, 16x24, wood	150.00		
"	Pump house, 12x14, wood	20.00	$	510.00

2490

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Sedalia Warsaw and Southwestern Ry. Co

WARSAW BRANCH.

PETTIS COUNTY.

Stations.	Descriptions.	Value.	
Sedalia	Section tool house and B. & B. shop, 16x30	$ 50.00	$ 50.00

BENTON COUNTY.

Mora	Depot, 14x16, wood	$ 150.00	
Cole Camp	Depot, 21x52, wood	100.00	
"	Water tank, 12x12, wood	50.00	
"	Section tool house, 10x15, wood	20.00	
"	Coal house, 6x10, wood	5.00	
"	Pump house, 12x16, wood	25.00	
"	Oil house, 5x7, wood	5.00	
Lincoln	Depot, 20x50, wood	150.00	
"	Section tool house, 10x16, wood	20.00	
Schuyler	Depot, 16x30, wood	100.00	
Warsaw	Depot, 20x60, wood	200.00	
"	Water tank, 12x16, wood	100.00	
"	Coal bin, 10x43, wood	25.00	
"	Section tool house, 10x16, wood	20.00	$ 970.00
			$ 1,020.00

THE KANSAS & COLORADO PACIFIC RAILWAY COMPANY.

INTERSTATE DIVISION.

MONTEITH TO KANSAS LINE.

BATES COUNTY.

Nyhart	Stock yards, 78x114, wood	$ 25.00	
Foster (Walnut Twp.)	Depot, 20x50, wood	150.00	
" "	Stock yards, 64x72, wood	25.00	
Worland "	Depot, 20x32, wood	100.00	
" "	Coal bin, 5x8, wood	5.00	$ 305.00

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BOONVILLE, ST. LOUIS & SOUTHERN RAILWAY.

The Missouri Pacific Railway Company, Lessee.

BOONVILLE TO VERSAILLES.

COOPER COUNTY.

Billingsville	Stock yards, 4x16x16, wood	$ 25.00	
Speed	Combination depot, 20x40, wood	100.00	
"	Coal house, 5x8, wood	5.00	
"	Water tank, 14x14, wood	100.00	
"	Stock yards, 11x60x175, wood	25.00	
Bunceton	Combination depot, 20x50, wood	150.00	
"	Coal house, 6x6, wood	5.00	
"	Stock yards, 108x172, wood	25.00	
Vermont	Stock yards, 62x94, wood	25.00	$ 460.00

MONITEAU COUNTY.

Fortuna	Combination depot, 20x50, wood	$ 150.00	
"	Coal house, 6x6, wood	5.00	
"	Stock yards, 42x97, wood	25.00	$ 180.00

MORGAN COUNTY.

Glensted	Stock yards, 57x93, wood	$ 25.00	
Versailles	Combination depot, 21x60, wood	200.00	
"	Coal house, 6x8, wood	5.00	
"	Turn table, 54 feet	50.00	
"	Stock yards, 85x112, wood	25.00	$ 305.00
			$ 945.00

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STATEMENT.

Statement showing Length of Side Tracks on the Missouri Pacific Railway in Missouri, on June 1st, ~~1906~~. 1905

MAIN LINE.

County.	Location of Siding.	Length in Feet.
St. Louis City	St. Louis Yards	215,730
"	Vandeventer	11,093
"	Tower Grove	12,697
"	Howards	7,877
"	Cheltenham	4,386
"	Clifton Heights	9,326
"	Benton	1,366
St. Louis County	Sutton	1,127
"	Lake Junction	179
"	Tuxedo Park	381
"	Webster	1,183
"	Glendale	315
"	Kirkwood	13,503
"	Barretts	354
"	Valley Park	8,644
"	Drake	9,428
"	Castlewood	2,651
"	Sherman	4,034
"	Yeatman	3,234
"	Eureka	4,011
"	Allenton	3,937
"	Dozier	3,510
"	Pacific	15,512
Franklin County	Pacific	
"	Gray's Summit	3,714
"	Labadie	4,832
"	Boles	4,481
"	South Point	1,462
"	Washington	14,689
"	Dewey	3,301
"	Dundee	749
"	Kent	2,904
"	Fray	1,564
"	New Haven	5,583
"	Etlah	4,585
"	Berger	3,775
Gasconade County	Hermann	4,606
"	Gasconade	10,284
"	Morrison	3,282
Osage County	Portage	2,896
"	Chamois	20,923
"	St. Aubert	2,962
"	Isbell	1,099
"	Bonnot's Mill	5,788
Cole County	Osage	9,798
"	Ewing	4,458
"	Jefferson City	40,320
"	Cole	3,288
"	Scott	3,719
"	Elston	1,827
"	Centretown	5,571
Moniteau County	McGirk's	4,011
"	Brant	2,071
"	California	7,287
"	Clarksburg	4,225
"	Tipton	9,837
Morgan County	Dow	2,625
"	Syracuse	4,057
Cooper County	Otterville	3,958
Pettis County	Smithton City	5,226
"	Sedalia City	107,075
"	Fair Grounds Track	14,300
"	Dresden City	4,387
"	LaMonte City	5,342
Johnson County	Knobnoster	6,618
"	Montserrat	3,464
"	WarrensburgSpur (Warrensburg Tp.)	3,997
"	Warrensburg (Warrensburg Tp.)	8,072
"	Centerview	4,495
"	Doran	1,365
"	Holden	10,275
"	Kingsville	4,860
Cass County	Strasburg (Polk Tp)	3,793
"	Pleasant Hill (Pl. Hill Tp.)	26,346
"	Avon (Big Creek Tp.)	2,977
Jackson County	Greenwood	4,425
"	Lee's Summit	8,120
"	Little Blue	6,080
"	Elm Park	1,915
"	Independence (Blue Tp.)	7,382
"	Crisp (Blue Tp.)	225
"	Rock Creek (Blue Tp.)	5,171
"	K. C. & S. W. Jct.	2,832
"	Cecil	20,249
"	Kansas City	214,380

CARTHAGE & WESTERN RY.

Jasper County	L. & S. Conn	1,340
"	Alba	1,051
"	Purcell	3,487
"	Neck City	859
"	Galesburg	598
"	Asbury	1,760

LEXINGTON & SOUTHERN BRANCH.

Cass County	Gowdy (Big Creek Tp.)	2,632
"	Harrisonville (Grand River Tp.)	6,178
"	Ore (Peculiar Tp.)	4,871
"	Lone Tree (Grand River Tp.)	2,215
"	Archie (Austin Tp.)	4,614
Bates County	Adrian (Deer Creek Tp.)	6,000
"	Passaic	3,348
"	Butler (Mt. Pleasant Tp.)	7,700
"	Feeley	1,588
"	Athol	2,973
"	Ovid (Lone Oak Tp.)	32,768
"	Rich Hill (Osage Tp.)	9,456
Vernon County	Panama	39,869
"	Arthur	1,378
"	Horton	1,565
"	Wales	2,404
"	Nevada	32,702
"	Nassau	2,885
"	Milo	1,536
"	Sheldon	2,157
Barton County	Irwin	1,741
"	Lamar	3,168
"	Boston	1,656
Jasper County	Jasper	5,476
"	Carytown	2,895
"	Quarry Spur	8,173
"	Carthage	11,617
"	Edwin	1,659
"	Center Creek	4,562
"	Webb City	12,986
"	Joplin	16,014

LEXINGTON BRANCH.

Pettis County	Georgetown	978
"	Hughesville	1,252
"	Houstonia	1,368
Saline County	Sweet Springs	3,697
"	Emma	1,089
Lafayette County	Concordia (Freedom Tp.)	1,820.
"	Aulville	1,474
"	Rocky Branch CoalSpurConn.	1,450
"	Higginsville (Davis Tp.)	1,526
"	Confederate Home	584
"	Page City (Dover Tp.)	1 139
"	Winton	354
"	Hall	398
"	Gaffin	265
"	Lexington (Lexington Tp.)	11,337
"	Myrick	10,630

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KANSAS CITY, LEXINGTON, BOONVILLE & JEFFERSON CITY LINE.

County.	Location of Siding.	Length in Feet.
Jackson County	Levasy	4,228
"	Buckner	1,928
"	Lake City	5,435
"	Adams	1,034
"	Pixleys	1,414
Lafayette County	Edmond's Coal Spur	284
"	Wellington (Clay Tp.)	4,618
"	Labor Exchange Coal Spur	155
"	Seawalls	592
"	Waterloo (Clay Tp.)	1,690
"	Seitz Coal Spur	197
"	Napoleon (Clay Tp.)	4,447
"	Myrick (Lexington Tp.)	15,681
"	Riverton	1,890
"	Glen Oak	123
"	Northrup	3,725
"	Dover (Dover Tp.)	1,261
"	Dover Coal Track	1,375
"	Hodge (Dover Tp.)	3,996
"	Waverly (Middleton Tp.)	6,031
Saline County	Grand Pass	4,000
"	Malta Bend	4,545
"	Blossers	549
"	Stanhope	3,822
"	Marshall Junction	3,029
"	Marshall	3,824
"	Naptonville	4,032
"	Nelson	1,573
Cooper County	Blackwater	11,938
"	Lamine	3,606
"	Boonville	5,457
"	Boonville (Reform School Spurs)	3,657
"	Elliott	3,686
"	Overton	1,131
"	Wooldridge	4,116
(Moniteau County see list.)		
(Cole County see list.)		
Moniteau County	Lupus	3,924
"	Sandy Hook	4,154
Cole County	Cole Junction	3,498
"	McKinney	3,001
"	Marion	4,043

CREVE COEUR LAKE BRANCH.

St. Louis County	Lake Junction	866
"	Brentwood	1,283
"	Mentor	1,525
"	Von Schrader	1,469
"	Dwyer	316
"	Malcolm	2,391
"	Emerson	989
"	Chapman	368
"	Coleman	524
"	Creve Coeur	14,459

LEBANON BRANCH.

Cole County	Lebanon Branch Junction	2,278
"	Scruggs	778
"	Moreau	224
"	Lohman	1,797
"	Russellville	2,106
Moniteau County	Enon	954
Miller County	Goodman	307
"	Olean	962
"	Eldon	2,346
"	Aurora Springs	1,259
"	Cooper	437
"	Cotton Spur	350
"	Bagnell	4,430

MINDEN BRANCH.

Vernon County	Moundville	3,483
"	Bronaugh	1,918
Barton County	Hannon	2,309
"	Liberal	5,957
"	Walser Coal Spur	2,098
"	Whitfield	458
"	Minden	5,252

PAOLA BRANCH.

County.	Location of Siding.	Length in Feet.
Jackson County	K. C. & S. W. Junction	1,629
"	Sheffield	4,587
"	Centropolis	2,520
"	Leeds	6,870
"	Diamond	2,654
"	Dodson	5,691
"	Red Bridge	711
"	Martin City	2,914

INDEPENDENCE BRANCH.

Jackson County	Independence (Blue Tp.)	7,860

FORT SCOTT CENTRAL RAILWAY.

Vernon County	Rich Hill	587
"	Metz	1,798
"	Reinhart	1,080
"	Richards	2,074
Jasper County	Webb City and vicinity	92,731
"	Scotland, Webb City and vicinity	34,569
Newton County	Diamondville	2,759
"	Granby	4,554

JOPLIN & WESTERN RAILWAY.

Jasper County	Joplin City	3,530
Newton County	Water Works	,925
"	Electric Spur	712
"	Grand Falls	796
	Moffet smelter	1078

WARSAW BRANCH.

Pettis County	Sedalia	148
"	Spring Fork	845
"	Dumpville	456
Benton County	Mora	945
"	Cole Camp	1,159
"	Raymond	900
"	Lincoln	1,425
"	Schuyler	862
"	Warsaw	1,051

CARONDELET BRANCH.

St. Louis County	Oak Ridge	1,654
"	Glendale Quarry	3,533
"	Grants	4,796
St. Louis City	Carondelet	64,007

THE KAN. & COLO. PAC. RY.

Bates County	Nyhart	1,386
"	Foster	7,304
"	Rucker	1,200
"	McPeake Coal Track	722
"	Ward	465
"	Worland	2,008
"	Mokan 1650	~~1,372~~

ST. L., O. H. & C. RY.

St. Louis City	Tower Grove 479	~~4,970~~
"	Kings Highway 438	~~833~~
"	Reber Place 10720	~~11,020~~
"	Oak Hill	11,557
"	Christy	3,769
"	Chippewa Street	4,141
"	Ivory Avenue Junction	476

BOONVILLE BRANCH.

Morgan County	Versailles	1,689
"	Bartle's Switch	608
"	Glenstead	619
"	Akinsville	1,008
Moniteau County	Fortuna	8,074
"	Tipton	638
Cooper County	Vermont	842
"	Bunceton	1,903
"	Petersburg	238
"	Speed	945
"	Billingsville	698
"	Boonville (Boonville Tp.)	2,198

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TWENTY-SIXTH ANNUAL REPORT.

THE

Missouri Pacific Railway Co.

FOR YEAR ENDED JUNE 30TH, 1906.

1905-1906

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—THE—

MISSOURI PACIFIC RAILWAY

COMPANY.

TWENTY-SIXTH ANNUAL REPORT

OF THE PRESIDENT TO THE DIRECTORS

—AND—

STOCKHOLDERS

FOR THE YEAR ENDED JUNE 30th, 1906.

2496

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ST. LOUIS:
R. P. STUDLEY & CO., PRINTERS.
1906.

OFFICERS AND DIRECTORS

—OF—

THE MISSOURI PACIFIC RAILWAY CO.

GENERAL OFFICERS.

GEORGE J. GOULD, President,	New York.
FRANK JAY GOULD, Vice-President,	New York.
CHARLES S. CLARKE, Vice-President,	New York.
C. H. MIDDLETON, Assistant to Vice-President,	St. Louis.
M. C. MARKHAM, Assistant to Vice-President,	St. Louis.
ALEXANDER G. COCHRAN, Vice-President and General Solicitor,	St. Louis.
A. C. BIRD, Vice-President,	Chicago.
J. M. JOHNSON, Assistant to Vice-President,	Chicago.
A. W. SULLIVAN, General Manager,	St. Louis.
J. W. HIGGINS, Assistant General Manager,	St. Louis.
C. J. McPHERSON, Assistant to the General Manager,	St. Louis.
A. H. CALEF, Secretary and Treasurer,	New York.
GUY PHILLIPS, Assistant Secretary,	New York.
F. W. IRLAND, Assistant Secretary,	St. Louis.
F. M. HICKMAN, Local Treasurer,	St. Louis.
S. B. SCHUYLER, General Auditor,	St. Louis.
E. M. CURTIS, Assistant General Auditor,	St. Louis.
W. C. STITH, Freight Traffic Manager,	St. Louis.
B. M. FLIPPIN, Assistant Freight Traffic Manager,	St. Louis,
W. B. KNIGHT, Assistant Freight Traffic Manager,	Kansas City, Mo.
E. B. LANE, General Freight Agent,	St. Louis.
H. C. TOWNSEND, General Passenger and Ticket Agent,	St. Louis.
E. F. MITCHELL, Engineer of Construction,	St. Louis.
M. L. BYERS, Chief Engineer Maintenance of Way,	St. Louis.
E. A. GOULD, General Superintendent,	Kansas City, Mo.
A. DEBERNARDI, General Superintendent,	Coffeyville, Kan.
S. F. PRYOR, General Purchasing Agent,	St. Louis.
D. E. KING, Industrial Commissioner,	St. Louis.

DIRECTORS.

		GEORGE J. GOULD,	New York.
RUSSELL SAGE (deceased),	New York.	SAMUEL SLOAN,	New York.
EDWIN GOULD,	New York.	S. DAVIES WARFIELD,	Baltimore.
JAMES H. HYDE,	New York.	FRED T. GATES,	New York.
JAMES HENRY SMITH,	New York.	W. K. BIXBY,	St. Louis.
FRANK JAY GOULD,	New York.	CHARLES S. CLARKE,	St. Louis.
HOWARD GOULD,	New York.	O. L. GARRISON,	St. Louis.

EXECUTIVE COMMITTEE.

GEORGE J. GOULD.	SAMUEL SLOAN.	JAMES HENRY SMITH.
S. DAVIES WARFIELD.	FRED T. GATES.	EDWIN GOULD.
	FRANK JAY GOULD.	

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OFFICERS AND DIRECTORS

—OF—

THE CENTRAL BRANCH RAILWAY COMPANY.

GENERAL OFFICERS.

CHARLES S. CLARKE, President,	St. Louis.
H. B. HENSON, Vice-President,	New York.
A. W. SULLIVAN, General Manager,	St. Louis.
A. H. CALEF, Secretary and Treasurer,	New York.
W. P. WAGGENER, Assistant Secretary,	Atchison, Kas.
F. M. HICKMAN, Assistant Treasurer,	St. Louis.
S. B. SCHUYLER, General Auditor,	St. Louis.
E. M. CURTIS, Assistant General Auditor,	St. Louis.
ALEXANDER G. COCHRAN, General Solicitor,	St. Louis.
B. P. WAGGENER, General Attorney,	Atchison, Kas.
W. C. STITH, Freight Traffic Manager,	St. Louis.
E. B. LANE, General Freight Agent,	St. Louis.
H. C. TOWNSEND, General Passenger and Ticket Agent,	St. Louis.
E. F. MITCHELL, Engineer of Construction,	St. Louis.
M. L. BYERS, Chief Engineer Maintenance of Way,	St. Louis.
E. A. GOULD, General Superintendent,	Kansas City, Mo.

DIRECTORS.

		CHARLES S. CLARKE,	St. Louis.
B. P. WAGGENER,	Atchison, Kas.	H. B. HENSON,	New York.
JAS. W. ORR,	Atchison, Kas.	C. E. SATTERLEE,	New York.
C. M. RATHBURN,	Atchison, Kas.	LAWRENCE GREER,	New York.

EXECUTIVE COMMITTEE.

CHARLES S. CLARKE,	H. B. HENSON.
C. E. SATTERLEE.	LAWRENCE GREER.

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OFFICERS AND DIRECTORS

OF THE

ST. LOUIS, IRON MOUNTAIN & SOUTHERN RY. CO.

GENERAL OFFICERS.

GEORGE J. GOULD, President,	New York.
FRANK JAY GOULD, Vice-President,	New York.
CHARLES S. CLARKE, Vice-President,	New York.
C. H. MIDDLETON, Assistant to Vice-President,	St. Louis.
M. C. MARKHAM, Assistant to Vice-President,	St. Louis.
ALEXANDER G. COCHRAN, Vice-President and General Solicitor,	St. Louis.
A. W. SULLIVAN, General Manager,	St. Louis.
J. W. HIGGINS, Assistant General Manager,	St. Louis.
C. J. McPHERSON, Assistant to the General Manager,	St. Louis.
A. H. CALEF, Secretary and Treasurer,	New York.
GUY PHILLIPS, Assistant Secretary,	New York.
F. W. IRLAND, Assistant Secretary,	St. Louis.
F. M. HICKMAN, Local Treasurer,	St. Louis.
S. B. SCHUYLER, General Auditor,	St. Louis.
E. M. CURTIS, Assistant General Auditor,	St. Louis.
W. C. STITH, Freight Traffic Manager,	St. Louis.
B. M. FLIPPIN, Assistant Freight Traffic Manager,	St. Louis.
W. R. PEABODY, General Freight Agent,	St. Louis.
H. C. TOWNSEND, General Passenger and Ticket Agent,	St. Louis.
E. F. MITCHELL, Engineer of Construction,	St. Louis.
M. L. BYERS, Chief Engineer Maintenance of Wa·	St. Louis.
HORACE BAKER, General Superintendent,	Little Rock, Ark.
A. DEBERNARDI, General Superintendent,	Coffeyville, Kan.
S. F. PRYOR, General Purchasing Agent,	St. Louis.
D. E. KING, Industrial Commissioner,	St. Louis.

DIRECTORS.

GEORGE J. GOULD,	New York.		
RUSSELL SAGE (deceased),	New York.	B. NICOLL,	New York.
JNO. T. TERRY,	New York.	HENRY WHELEN, JR.,	Philadelphia.
R. M. GALLAWAY,	New York.	THOS. T. ECKERT,	New York.
HOWARD GOULD,	New York.	J. C. VAN BLARCOM,	St. Louis.
FRANK JAY GOULD,	New York.	CHARLES S. CLARKE,	St. Louis.
G. C. W. LOWREY,	New York.	A. G. COCHRAN,	St. Louis.

EXECUTIVE COMMITTEE.

GEORGE J. GOULD.
HOWARD GOULD.

THOS. T. ECKERT.
JNO. T. TERRY.

FRANK JAY GOULD.
G. C. W. LOWREY.

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THE MISSOURI PACIFIC RAILWAY COMPANY,

EXECUTIVE OFFICE

NEW YORK, SEPTEMBER 15TH, 1906.

To the Stockholders of

The Missouri Pacific Railway Company and Branch Lines,
The Central Branch Railway Company, and the
St. Louis, Iron Mountain & Southern Railway Company:

I transmit herewith the Twenty-Sixth Annual Report of The Missouri Pacific Railway Company, giving the results of operations and the condition of the property for the fiscal year ended June 30th, 1906. The following statement gives a summary of the results of the operations for the year.:

Gross Earnings,		$44,566,821.22
Operating Expenses (67.9% of Gross Earnings),		30,282 43
Net Earnings,		$14,284,415.79
Add Income from Other Sources,		5,558,911.42
Total Income		$17,843,327.21
Less Charges as follows:		
Taxes,	$ 1,457,923.96	
Interest on Bonds,	8,707,514.18	
Rentals for Leased Lines,	229,278.40	
Equipment Trust Payments, Expenses, and Interest and Discount,	713,516.02	
Sundry Other Charges,	406,079.85	11,514,312.41
Leaving Amount applicable to Dividends,		$ 6,329,014.80
From which has been declared Dividend No. 54—2½% on 778,174 shares of Capital Stock outstanding, paid January 20th, 1906,	$ 1,945,435.00	
Dividend No. 55—2½% on 778,174 shares of Capital Stock outstanding, payable July 20th, 1906,	1,945,435.00	3,890,870.00
Surplus from the year's operations,		$ 2,438,144.80

It will be seen from the foregoing that there was a surplus of $2,438,144.80 after paying the two dividends of 2½ per cent., each properly chargeable against the income for the fiscal year.

As you were advised in a brief report of date March 13th, 1906, the fiscal year was changed so that it would terminate June 30 instead of December 31st, as formerly; wherefore it may be well to explain that for the period covered by this report three dividends are taken into account although only two of them are properly chargeable against the income of the fiscal year.

No. 53, Paid	July, 1905, 2½ per cent.,	$ 1,945,435.00
No. 54, Paid	January, 1906, 2½ per cent.,	1,945,435.00
No. 55, Declared	June, 1906, 2½ per cent.,	1,945,435.00
Total, 7½ percent.,		$ 5,836,305.00
Leaving a surplus above the three dividends of 2½ per cent. each from this fiscal year's operations of,		$ 492,709.80

It should be borne in mind, however, that from the income of the six months, January to June, 1905, inclusive, there was a surplus applicable to dividends of $991,898.51, which added to the $492,709.80, as above, leaves, from the earnings of the eighteen months, January, 1905, to June, 1906, inclusive, after paying the three dividends of 2½ per cent. each, a surplus of $1,484,608.31.

2500

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C. S Clarke, Vice President

I, ~~S. L. HIGHLEYMAN, Tax Commissioner~~ of the Missouri Pacific Railway Company, certify that the within and foregoing is a true, full and complete Schedule and Inventory of all the property owned, hired, leased, occupied, used, controlled or operated by said Company on the first day of June, ~~1906~~. 1905

~~H Highleyman~~

(Signed) C. S Clarke

STATE OF MISSOURI, }
CITY OF ST. LOUIS. } ss.

BE IT REMEMBERED, That on this fifteenth day of December, ~~1906~~ 1905, before me personally came, ~~S. L. HIGHLEYMAN~~ C S Clarke, to me well known as the person who subscribed his name to the foregoing Certificate, and being by me duly sworn, upon his oath states that the matters and things, as set forth in said above Certificate and Schedule, are true to the best of his knowledge and belief; and that the valuations placed upon each item of property within stated are just and reasonable.

Witness my hand and Notarial Seal the day and year first written.

Thomas L. Philips ..... Notary Public.

[29] Mo. Pac.

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THE MISSOURI PACIFIC RAILWAY COMPANY.

GEO. J. GOULD, Esq.,
President.

St. Louis, Mo., September 10th, 1906.

DEAR SIR:—The Twenty-sixth Annual Report of the operations of The Missouri Pacific Railway and Branch Lines, The Central Branch Railway, The St. Louis, Iron Mountain & Southern Railway and Leased and Operated Lines, for the year ended June 30th, 1906, is herewith respectfully submitted.

On July 1st, 1905, there was adopted by the Company a revised Classification of Expenses more in harmony with the distribution of expenses used by the Interstate Commerce Commission; and to better enable comparison of the results of operation for the fiscal year, 1905-6, with the preceding twelve months, the data for the six months ended December 31st, 1904 and for the six months ended June 30th, 1905, have been recast and consolidated on the same lines of distribution as the returns for the fiscal year 1905-6; therefore, for the purpose of this presentation and statement the showing as to the classified Earnings and Expenses of Operation for the year 1904-5 will differ from any heretofore set forth, except that the Net Earnings will remain the same.

RESULTS OF OPERATION.

	1905-6	1904-5	Increase.
Average Mileage Operated,	6,275.88	6,204.62	71.26
EARNINGS FROM OPERATION:			
Freight,	$ 32,563,506.77	$ 29,261,893.84	$ 3,301,612.93
Passenger,	8,753,140.95	8,783,053.91	29,912.96*
Mails,	1,377,245.09	1,375,074.12	2,170.97
Express,	945,405.49	916,286.29	29,119.20
Miscellaneous,	927,522.92	730,974.26	196,548.66
Total Earnings,	$ 44,566,821.22	$ 41,067,282.42	$ 3,499,538.80
EXPENSES OF OPERATION:			
Maintenance of Way and Structures,	$ 5,378,125.37	$ 4,852,579.72	$ 525,545.65
Maintenance of Equipment,	5,781,532.17	4,479,339.96	1,302,192.21
Conducting Transportation,	17,141,983.71	16,977,764.69	164,219.02
General Expense,	1,980,764.18	1,722,207.24	258,556.94
Total Expenses,	$ 30,282,405.43	$ 28,031,891.61	$ 2,250,513.82
Net Earnings from Operation,	$ 14,284,415.79	$ 13,035,390.81	$ 1,249,024.98
Taxes,	1,457,923.96	1,388,343.73	69,580.23
Net Income from Operation,	$ 12,826,491.83	$ 11,647,047.08	$ 1,179,444.75
Equipment Trust Payments, Expenses, Interest, Discounts and Sundry Other Charges,	1,119,595.87	1,060,768.46	58,827.41
	$ 11,706,895.96	$ 10,586,278.62	$ 1,120,617.34
Other Income from Investments,	3,558,911.42	3,037,882.21	521,029.21
Total Net Income,	$ 15,265,807.38	$ 13,624,160.83	$ 1,641,646.55
Fixed Charges and Rentals,	8,936,792.58	8,191,982.88	744,809.70
Net Income Applicable to Dividends,	$ 6,329,014.80	$ 5,432,177.95	$ 896 836.85
Dividends Paid and Declared, (Three of 2½ per cent. each, 1905-6)	5,836,305.00	3,890,867.50	1,945,437.50
Net Surplus,	$ 492,709.80	$ 1,541,310.45	

Surplus for year ended June 30th, 1906, over all Charges, Dividends and Appropriations,	$ 492,709.80
Surplus for 6 months ended June 30th, 1905, the interval between the close of the Calendar year and the commencement of the new Fiscal year, covered by the 25th Report,	991,898.51
Surplus for the 18 months January 1st, 1905, to June 30th, 1906, after providing for three dividends of 2½ per cent. each,	$ 1,484,608.31
Net Balance to Credit of Income Accounts, January 1st, 1905,	13,044,134.32
Net Balance to Credit of Income Accounts, July 1st, 1906,	$ 14,528,742.63

	1905-6	1904-5	Increase.
Earnings per Mile of Road,	$ 7,101.28	$ 6,618.82	$ 482.46
Earnings per Revenue Train Mile,	1.83.714	1.75.461	.08.253
Expenses per Mile of Road,	4,825.20	4,517.91	307.29
Expenses per Revenue Train Mile,	1.24.831	1.19.767	.05.064
Net Earnings per Mile of Road,	2,276.08	2,100.92	175.16
Net Earnings per Revenue Train Mile,	.58.883	.55.694	.03.189
Per Cent. of Operating Expenses to Gross Earnings,	67.95	68.26	

* Decrease.

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It will be observed that the total earnings increased $3,499,538.80, of which $3,301,612.93 were from freight.

While the passenger earnings for the past year were very good, still they do not quite reach the figures of the previous year, which embrace five months of the World's Fair travel, during which period the 1904 passenger earnings increased $1,319,603.61.

Operating Expenses increased $2,250,513.82, divided between departments of the service as follows:

Maintenance of Way and Structures,	$ 525,545.65
Maintenance of Equipment,	1,302,192.21
Conducting Transportation,	164,219.02
General Expenses,	258,556.94
Total increase,	$ 2,250,513.82

MAINTENANCE OF WAY AND STRUCTURES:

Increase—Repairs of Roadway,		$ 500,840.96
Renewal of Rails,		373,633.28
Renewals and Repairs—Buildings and Fixtures,		117,114.78
Total,		$ 991,589.02
Less— Other Items of Increase and Decrease—Net,		466,043.37
Net Increase,		$ 525,545.65
Expenditure during the year to repair flood damages amounted to		211,129.00

MAINTENANCE OF EQUIPMENT:

Increase—Repairs and Renewals of Locomotives,	$ 737,000.81
" " " " Passenger Cars,	167,449.93
" " " " Freight "	608,490.40
" " " " Service "	11,510.50
	$ 1,524,451.64
Less— Other Items of Increase and Decrease—Net,	222,259.43
Net Increase,	$ 1,302,192.21

CONDUCTING TRANSPORTATION:

Increased Expenses,	$ 164,219.02
" Engine Miles,	542,783
" Tons Moved One Mile,	677,323,884

Cost of fuel increased 4 cents per ton over the previous year, the strike of bituminous coal miners making a second handling of coal necessary and compelling purchase in the open market. The greater quantity used and higher price increased the cost of this item $308,188.93. Reduction of expenses in other items confines the net increase to $164,219.02.

GENERAL EXPENSES: Increased $258.556.94. The inauguration the past year of a train auditor service throughout the system lines, which has been productive of very satisfactory results, is responsible for the larger portion of the increase. The change in the classification of Disbursement Accounts heretofore referred to has also increased this charge, as the salaries and expenses of some of the general officers which were previously prorated over a large number of operating accounts are now included in this one. $52,390.73 of the increase represents increased insurance.

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The increase of $744,809.70, shown in "Fixed Charges and Rentals" for the year ended June 30th, 1906, as compared with the year ended June 30th, 1905, is explained as follows:

THE MISSOURI PACIFIC RAILWAY FOUR PER CENT. GOLD LOAN—Interest for 12 months ended June 30th, 1906, on $25,000,000.00 as against 4 months of previous year,			Increase, $ 666,666.67
ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY UNIFYING AND REFUNDING MORTGAGE, Account purchase First Mortgage Bonds of the Little Rock & Ft. Smith Ry.,	$ 77,625.00		Increase, 1,540.00
ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY RIVER AND GULF DIVISIONS MORTGAGE,			Net Increase, 163,993.34
Account construction of St. Louis Valley Railway Terminals,	$ 336,344.87		
" " 22.71 miles White River Railway,	1,015,372.29		
" " White River Railway Yards, ballast, etc.,	182,553.08		
" " 20.4 miles Memphis, Helena & Louisiana Line,	469,603.66		
Purchase of Coal Belt Railway and Coal Belt Electric Railway,	603,300.00	$2,607,173.90	
ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY CONSOLIDATED MORTGAGE, Account of the Trustee having purchased and retired $95,000.00 St. Louis, Iron Mountain & Southern Railway General Consolidated Railway and Land Grant Bonds from Land Department funds.			Decrease, 3,979.17
RENTALS AND TRACKAGE,			Decrease, 83,411.14

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MILES OF RAILROAD.

The total operated mileage on June 30th, 1906, is as follows:—

	MILES.
The Missouri Pacific Railway, Main Line and Branches,	3,492.54
The Central Branch Railway,	388.19
St. Louis, Iron Mountain & Southern Railway, and Branches,	2,459.15
Total mileage operated, including duplication of 2.81 miles operated by two companies,	6,339.88
Actual mileage in operation,	6,337.07
Average mileage operated during year,	6,275.88

NEW LINES ACQUIRED.

LITTLE ROCK & MONROE RAILWAY:

This line, 43.44 miles in length, was acquired from the Union Saw Mill Company in May, 1905. It extends from Felsenthal, Arkansas, to Monroe, Louisiana. At the time of its acquisition its construction was incomplete; it has since been finished and was opened for operation November 1st, 1905. The maximum gradient is 0.6 per cent.; maximum curvature 3° 30'. The track is constructed of 56-pound relaying rail.

There was expended account this line prior to July 1st, 1905, $715,528.34, which with the expenditure of $141,953.61 incurred during the year, makes a total cost of $ 857,481.95

CONSTRUCTION.

WHITE RIVER DIVISION:

This road, which, as explained in previous reports, has been under construction since June, 1901, was connected January 1st, 1906, and the entire line between Batesville and Carthage opened for operation. A suitable yard and other facilities including an 18 stall frame enginehouse, coaling station, etc., are under construction and 50 per cent. completed. A brick passenger station and frame freight depot are being constructed at Aurora, Mo. Other facilities such as water tanks, etc., are now under construction at Cotter.

There was expended on account of this line prior to July 1st, 1905, $9,052,889.67 which amount added to $922,809.38 the amount expended during the fiscal year makes the cost as far as completed, ... $ 9,975,699.05

MEMPHIS, HELENA & LOUISIANA DIVISION:

The line from the Louisiana-Arkansas state line to Halley, Ark., 38.16 miles, and from McGehee to Watson, 22.39 miles, a total of 60.55 miles, was completed and turned over to the Operating Department prior to this year, and during the past twelve months the line between Watson and Latour, Ark., 59.04 miles, including the erection of two large steel bridges with draw spans crossing the Arkansas and White Rivers, has been completed and was opened for operation. The track is laid with 52-pound and 56-pound relaying rail, except 2.5 miles which is laid with new 85-pound rail. The maximum grade is 0.2 per cent. and maximum curvature 1°.

There was expended account of this line prior to July 1st, 1905, $2,895,799.84, which amount added to an expenditure of $601,528.98 incurred during the year, makes its cost as far as completed, ... $ 3,497,328.82

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SPRINGFIELD SOUTHWESTERN RAILWAY:

This line is projected from Crane, Mo., to and through the City of Springfield, Mo., a distance of 35.56 miles.

Grading by contract between Crane and a point about one mile southwest of Springfield was begun in August, 1905, and is now about 77 per cent. done. Concrete culverts and bridge masonry are completed, and 0.29 miles of track at Crane and 1.16 miles of track in Springfield has been laid.

There was expended account this line during the year $621,624.13, which with the expenditure of $23,060.32 previously incurred, makes its cost so far as completed, ... $ 644,684.45

GURDON & FORT SMITH RAILROAD:

This line extends from a connection with the Arkansas Southwestern Railway near Antoine, Ark., in a northwesterly direction 34.86 miles through Clark and Pike Counties to Caddo Gap, a point on the Caddo River. The first 6 miles was graded and track laid prior to July 1st, 1905, 3 miles of this was destroyed by unprecedented floods in July, and to avoid a recurrence 5 miles of the original line was abandoned and relocated on higher ground.

The contract for construction was made July 27th, 1905; the first 7 miles is now graded and the remainder is 85 per cent. done. Track has been laid for a distance of 6.71 miles with 56-pound relaying rail.

There was expended account this work during the year $674,487.10, which with a previous expenditure of $131,211.14, makes total cost to date, ... $ 805,698.24

GURDON & FORT SMITH NORTHERN RAILWAY:

This line is a continuation of the Gurdon & Fort Smith Railroad from Caddo Gap northwesterly to the Ouachita River, a distance of about 23 miles. Final location was made, and contract for grading 6 miles was let and is about 75 per cent. done.

There was expended account this line prior to July 1st, 1905, $21,113.38, which, with the expenditure for the year, $36,425.80, makes the total cost as far as completed, ... $ 57,539.18

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EUDORA-GILBERT LINE (ST. L., I. M. & S. RY.).

Projected in a southwesterly direction from Eudora, Ark., to Gilbert, La., a distance of 77.42 miles. Contract for grading was made June 17th, 1905, and work commenced the following month. Grading on the first 37.42 miles is practically finished, and 11.5 miles of new 85-pound steel rail laid from Eudora. Some clearing has been done on the remainder of the line.

In July, 1905, this territory was visited by an epidemic of yellow fever and a rigid quarantine established between Arkansas and Louisiana and various parishes of the latter State which was not raised until late in the year. This prohibited the importation of necessary forces and greatly retarded progress of construction.

There was expended account this line during the year $179,187.66, which amount added to an expenditure of $32,681.03 previously incurred, makes the total cost to date. . . . . $ 211,868.69

WABASH SOUTHERN RAILWAY:

This line was incorporated to extend from Zeigler, Ill., the terminus of the East and West line of the Illinois Division, 103 miles to Shumway, Ill., a station on the Wabash Railroad.

The line from Zeigler to Benton, 9.26 miles, where a connection is planned with the Chicago & Eastern Illinois Railroad, has been located and the grading about 56 per cent. done. Concrete masonry for four steel bridges is nearly completed and the steel work delivered at Zeigler.

There was expended account this line during the year $198,739.91, which, with an expenditure of $5,827.43 previously incurred, makes a total expenditure to date of . . . . . $ 204,567.34

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COAL BELT RAILWAY EXTENSIONS:

In September, 1905, work was begun on the construction of extensions diverging from the main line of the Coal Belt Railway, 3.5 miles northwest of Marion, Illinois, to and including yards at the Carterville District Coal Company's mines No. 1 and No. 2, and mine of the Chicago & Big Muddy Coal and Coke Company, involving the construction of 8.22 miles of track. This work is practically completed except certain mine tracks and some surfacing of main track; expenditures accounted for to date of June 30th, 1906, ... $ 52,067.77

HERRIN & JOHNSTON CITY RAILWAY:

This line diverges from the Coal Belt Railway near Herrin, Ill. and extends in an easterly direction to the western limits of Johnston City, a distance of 4.5 miles, with connections and yard tracks to various coal mining properties, approximating 2.5 miles. Work was begun in November, 1905; grading is practically completed and 1,700 feet of main track laid. There was expended to June 30th, 1906, ... $ 56,872.63

SURVEYS, ETC.:

There was also expended during the year account surveys, acquisition of right of way and property, ... $ 129,749.98

ADDITIONS, IMPROVEMENTS AND WORK IN PROGRESS.

Charges have been made to Betterments during the fiscal year as follows:

To Equipment,	36,878.37
To Property,	$ 2,897,546.82
Total,	$ 2,934,425.19

The principal item of Improvement to Equipment consists of $34,796.35, applying air brakes to Freight Cars. The Interstate Commerce Commission has increased the minimum requirement of power control of freight trains, effective August 1st, 1906, to comply with which 90 per cent. of freight traffic cars must be provided with this improvement. The larger expenditure on this account, however, will be entailed in the ensuing fiscal year.

The second main track has been extended from Jefferson Barracks, Missouri, southward 3.12 miles, and a second main track extending southward from Valley Junction, Illinois, on the Illinois Division, 8.9 miles, is no under construction and nearly completed. A second main track is under construction north and south of Little Rock, Arkansas, 7.74 and 7.14 miles respectively, and also northward from Texarkana, Arkansas, 8.77 miles, all to facilitate train movement.

There was distributed 326,211 yards of chatts ballast on the Joplin, Central Kansas, Southern Kansas, and Wichita Divisions; 46,981 yards gravel ballast on the Memphis and Valley Divisions; and 3,918 cars of sand on the Memphis Division.

Considerable attention has been given to checking the encroachments of the Missouri and Mississippi Rivers upon the main line, between Washington and Jefferson City and between Myrick and Boonville, on the Eastern Division.

A terminal yard is now under construction at Dupo, on the Illinois Division, opposite Carondelet, Missouri, to provide a suitable terminal on the east side of the Mississippi River and to facilitate the rapidly growing interchange traffic via the Ivory Ferry Transfer between the Missouri Pacific and Iron Mountain portions of the System, as well as the business of East St. Louis and traffic interchanged with the many railroads centering at that point. It embraces thirty-eight miles of track, an eighteen-stall engine house and the other facilities necessary to a modern terminal yard, including office and other buildings and a hotel for the accommodation of employes.

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The importance of Kansas City, Missouri, both as a division point and commercial center, has made extensive improvements necessary at that point. A large classification and division yard has been provided at East Bottoms; the State Line Yards have been enlarged to accommodate local traffic, the stock pen facilities increased 25 per cent., and the construction of two modern brick freight houses, 48x600 and 36x1,200 feet, is well under way. Seven tracks and a covered transfer platform 12x1,200 feet have been built between the two freight houses, and two brick drive ways, each 1,500 feet in length, have been constructed to afford easy access thereto. An electric crane has also been provided for handling heavy material. A passenger station has been built at South West Junction.

In arranging a low grade line between St. Louis and New Orleans via Thebes, Illinois, made possible by the construction of a bridge over the Mississippi River at that point, extensive improvements have been made on the Memphis Division. Terminal yards and other facilities have been constructed at Paragould and Lexa, Arkansas, grades reduced, alignment changed, bridges added and strengthened, 85-pound steel laid, passing tracks built and other work done to prepare that section of the line for heavy traffic. These improvements involved:—

AT PARAGOULD: Terminal yard with eighteen stall engine house, coaling station and ash pit.

AT WYNNE: Intermediate coaling layout and interchange tracks.

AT LEXA: Terminal yard with eighteen stall engine house, coaling station and ash pit.

NINE WATER STATIONS: Re-arranged or constructed.

EIGHTEEN PASSING SIDINGS.

STRENGTHENING: Of all bridges, almost continuous widening of banks and numerous light grade changes.

EIGHTY-FIVE-POUND RAIL: Has been provided and the ballasting of the track is rapidly nearing completion.

Toward the completion of this low grade line between St. Louis and New Orleans, in connection with the Texas and Pacific Railway, other important work has been performed.

The work of completing the ballasting and strengthening of banks and bridges and of constructing passing sidings and water stations at proper intervals on the Illinois Division has been practically completed.

20956

An arrangement has been made on satisfactory terms to extend until July 1st, 1938, the Third Mortgage Seven Per Cent. Bonds of The Missouri Pacific Railway Company, maturing November 1st, 1906, and outstanding in the par amount of $3,828,000.00. The interest during the extended period will be at the rate of Four Per Cent. per annum, payable semi-annually on the first days of May and November in each year. The lien of the mortgage now securing these bonds will continue and remain unimpaired. The company reserves the right to retire any or all of the extended bonds at any time after four weeks' notice at 105 and accrued interest.

As alluded to in a previous report, the spread of yellow fever in the latter half of 1905 over the territory of your Southern lines and their connections and the resultant rigid quarantine regulations which were established, placed an embargo upon the traffic of that section of the country which seriously affected railway operations.

While there was not a recurrence of the disastrous high water floods of 1903 and 1904, still in the latter months of 1905, and in January, 1906, there were many serious washouts of track and impairment of bridges in Missouri, Kansas and Arkansas which materially added to the expense of operation and greatly retarded the movement of traffic.

The Cotton Crop, which is an important item of your Southern traffic was very short last season in the territory transversed by your lines and consequently carried with it a decrease in its by-products of cotton seed, oil, cake, etc., which generally yield their full quota to the railway revenue.

In the Spring of 1906 the Bituminous Coal Miners of the country entered upon a strike which lasted some two months and which had the effect of materially advancing the cost of coal. This strike necessitated the storage of coal long in advance of its need, resulting in an extra handling of it and its transportation longer distances than were usually required, all of which involved additional labor, inconvenience and expense.

Notwithstanding these shortcomings, however, your property by its showing herewith, presents a most healthy and substantial growth. With the exception of cotton, there has been a large increase the past year in every important commodity carried, the result being an increase in freight earnings of $3,301,612.93.

The Passenger Traffic shows a similar progressive growth. Owing largely to the World's Fair at St. Louis, the passenger earnings increased in 1904, $1,868,966.99, or over twenty-six per cent. While it could hardly be expected that for the year last passed they would reach the total figures of 1904, because of the then abnormal increase, yet the earnings of the past year have been a close approximation. It might be added that the passenger earnings for the first six months of 1906, as compared with the same period of 1905, when normal conditions prevailed, show an increase of $956,720.13.

At the date of this report the crop prospects and the outlook for general business for the ensuing year are very promising.

For full details of the business and operations of your lines for the past year you are referred to the reports of the officers of the company, which follow herewith.

Respectfully,

GEORGE J. GOULD,

President.

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At Sedalia, Mo., the new locomotive and car shops begun during the year 1904 are now practically completed and consist of the following structures:

One story, gravel roof, brick locomotive erecting, boiler and machine shop 135x752 feet.
One story brick, gravel roof coach shop 100x312 feet with addition one story, gravel roof, 20x268 feet.
Paint shop, one story, gravel roof, brick building 100x312 feet,
Blacksmith shop, one story, gravel roof, brick building 100x244 feet.
Planing mill, one story, gravel roof, brick building 80x268 feet.
Power house, one story, gravel roof, brick building 84x138 feet with brick chimney 175 feet high.
Office and storeroom, one story, gravel roof, brick building 50x201 feet with platform 67x150 feet.
Transfer table, 70x1,166 feet in pit, with concrete retaining walls and concrete foundations, electrically propelled.
Oil house, one story, gravel roof, brick building 30x50 feet.
Paint storeroom, one story, brick, gravel roof building 40x60 feet.
Three brick water closets with gravel roofs, each 26x50 feet.
Freight car repair shed, one story frame, gravel roof building, 70x400 feet.
Scrap bin platform and shed 52x 450 feet.
Casting shed, frame building 40x200 feet.
Coke and coal bin, frame building 28x100 feet.
Total amount expended June 30th, 1906, ... $ 845,314.52

Many other improvements have been made, including new ballast work, widening cuts and fills, substitution of heavier rail, etc., the detail of which would consume undue space, but the cost of which will be found below:—

NATURE OF WORK.		Cost.
Widening Cuts and Fills,	$	74,293.28
Right of Way and Real Estate,		32,132.66
Change of Grade and Alignment,		110,234.03
Track Elevation and Depression, Tunnels, Bridges, Culverts and Trestles,		180,522.90
Ballast,		245,975.44
Heavier Rail,		431,698.81
New Telegraph Lines,		9,773.45
New Fences, Road Crossings and Signs,		35,553.90
Signal and Interlocking Apparatus,		7,058.01
New Passenger Stations,		24,507.83
New Freight Stations,		37,14 .91
New Combination Freight and Passenger Stations,		0,978.50
Other Transportation Department Buildings and Fixtures,		31,295.51
Road Department Buildings and Fixtures,		13,475.84
Shops, Enginehouses and Turntables, Shop Machinery and Tools,		482,758.04
Fuel Stations,		32,893.10
Water Stations,		157,177.91
Miscellaneous Structures,		10,415.32
New Passing Tracks,		79,424.25
New Yard Tracks,		492,466.63
New Second Track,		291,924.70
New House and Team Tracks,		5,689.00
New Industrial Tracks,		80,156.80
TOTAL,	$	2,897,546.82

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EQUIPMENT.

Contracts were entered into during the year with the Missouri Pacific Equipment Association to provide for the purchase of 500 box cars and 1,000 coal cars, to cost $1,004,955.00, of which amount $104,955.00 was paid and retired; and with the Iron Mountain Car Trust to provide for 1,500 box cars and 2,000 coal cars to cost $2,382,446.00, of which $480,445.00 was paid. The balance of these amounts is to be provided for installments to March, 1914 and 1915.

EQUIPMENT IN SERVICE, JUNE 30th, 1906.

LOCOMOTIVES.

Number, June 30, 1905.	Received during Year.	Condemned and Scrapped during Year.	Available, June 30, 1906.	Tractive Power, Pounds.	
				1906.	1905.
955	12	9	958	24,387,164	24,098,445

PASSENGER CARS.

Class.	Number, June 30, 1905.	Received during Year.	Condemned and Scrapped during Year.	Available, June 30, 1906.
Sleeping,	56	0	1	55
Chair,	100	0	2	98
Coaches,	266	0	2	264
Coach and Mail,	15	0	0	15
Coach and Baggage,	29	0	2	27
Coach, Mail and Baggage,	23	0	2	21
Mail,	37	11	3	45
Baggage,	100	0	4	96
Baggage and Mail,	38	0	0	38
Baggage and Express,	20	0	0	20
Cafe,	2	0	0	2
Diner,	18	0	0	18
	704	11	16	699

FREIGHT CARS.

Class.	Number, June 30, 1905.	Received during Year.	Condemned and Scrapped during Year.	Available, June 30, 1906.	Capacity, Tons.	
					1906.	1905.
Box,	24,939	2,000	2,329	24,610	711,115	670,575
Furniture,	1,310	0	34	1,276	36,600	37,400
Stock,	2,102	0	607	1,495	39,455	50,960
Flat, including Ore and Granite,	3,039	0	295	2,744	74,935	63,095
Coal,	9,110	3,000	1,059	11,051	365,520	263,770
Refrigerator,	652	1	55	598	12,685	13,790
	41,152	5,001	4,379	41,774	1,240,310	1,099,590

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MAINTENANCE OF EQUIPMENT.

The expenditure on this account was $5,781,532.17, an increase of $1,302,192.21, as follows:

Repairs and Renewals of Locomotives,	$ 737,000.81
" " " " Passenger Cars,	167,449.93
" " " " Freight Cars,	608,490.40
" " " " Work Cars,	11,510.50

Other items of increase and decrease leave the net increase as above.

The fifty new consolidation locomotives received immediately prior to and soon after the beginning of the fiscal year added to the equipment to be maintained.

More than the ordinary and average repairs and renewals to all classes of equipment were found necessary the past year and with the advance in prices of materials entering into the work and additional equipment to be cared for, the increase in maintenance cost is explained.

In illustration of the extensive work done, the leading items of renewals to locomotives may be seen in the following comparative table:

NATURE OF RENEWALS.	Year Ended June 30th, 1906.	Year Ended June 30th, 1905.	Year Ended June 30th, 1904.
Locomotive Boilers Complete,	7	1	4
Fire Boxes,	151	39	44
Back Boiler Heads,	14	0	0
Side Sheets,	133	98	45
Crown Sheets,	84	15	7
Front and Back Flue Sheets,	129	81	64
Extension Front Ends,	93	29	38
Cylinder Sheets,	42	17	4
New Ash Pans,	522	346	268
Flues (New),	39,248	7,772	13,619
Flues (Pieced),	151,167	173,905	149,917
Engine Tanks (New),	38	6	3
Tender Frames Complete,	130	64	90
Cylinder (New),	32	29	10
Pistons Complete,	294	202	179
Steel Driving Boxes,	368	196	272
Steel Driving Wheels,	98	45	73
Steel Driving Wheel Tires,	558	553	484
Engine Trucks Complete,	26	14	9
Tender Trucks Complete,	72	12	11
Steel Tender Truck Wheels,	560	531	415
Steel Engine Truck Wheels,	257	41	98

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CONDUCTING TRANSPORTATION.

The Expenditure charged to this account increased $164,219.02. For the year ended June 30, 1906, the

		Increase.	Decrease.
Passenger train mileage was	10,073,216		286,596
Freight train mileage was	13,366.909	1,008,658	
Mixed train mileage was	818,643	131,370	
Switching and miscellaneous,	7,707,544		310,649
Total engine mileage,	31,966,312	542,783	
Passenger car mileage,	51,358,976		3,358,272
Freight car mileage, (loaded)	241,239,015	27,904,104	
Freight car mileage, (empty)	78,183,932	969,506	
Caboose mileage,	13,386,082	1,016,446	
Increase freight car mileage,		29,890,056	
Decrease passenger car mileage,			3,358,272
Ton miles,	Increased, 677,323,884, or 17.2 per cent.		
Average tons per freight train,	Increased, 23.5 tons, or 7.8 per cent.		
Average tons per loaded freight car,	Increased, 0.7 ton, or 3.6 per cent.		

To secure closer supervision of operation the lines of this Company have been divided into three grand districts, and designated as the Northern, Southern and Central Districts, respectively, each in charge of a General Superintendent. The Northern District comprises the main line St. Louis to Pueblo and divisions lying to the north; the Southern district, the main line, St. Louis to Texarkana, and divisions lying to the east; and the Central District the divisions lying between these main lines. Three additional operating divisions have been created—the Northern Kansas, Memphis and Wichita—and the boundaries of other divisions rearranged for more economical operation.

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LAND DEPARTMENT.

The receipts from the Land Department during the year ended June 30th, 1906, were: Cash, ... $ 235,612.63
Notes, ... 70,489.69

There was sold during the year, 42,269 acres of the Company's lands in Missouri and Arkansas, at an average price of $4.26 per acre.

On June 30th, 1906, there was unsold of the Company's lands in Missouri, 3,604 acres; Arkansas, 594,418 acres.

During the year there was purchased and retired by the Land Grant Trustee, $95,000.00 of the General Consolidated Railway and Land Grant Mortgage Bonds.

PASSENGER TRAFFIC.

For the twelve months ending June 30th, 1906, the total receipts from passenger traffic amounted to $8,753,140.95, a decrease of $29,912.96 as compared with the preceding twelve months. The latter period included the last five months of the Louisiana Purchase Exposition, during which time the passenger earnings increased $1,319,603.61. The earnings for the first six months of 1906, compared with the same period of 1905, when conditions were normal, show an increase of $956,720.13.

During the past year Auditors were employed on the trains to handle the tickets and fares of passengers. This service has given good results and proven very satisfactory.

Quarantine regulations, owing to the prevalence of yellow fever in Louisiana, which for a time seriously affected travel on the Iron Mountain Railroad, were established on the southern part of the line in July, 1905, and lasted until the following November. High water at different periods also caused trouble and loss of traffic.

The growth of the passenger traffic is evidenced by an increase of 1,382,665 local passengers carried for the year.

Special semi-weekly passenger train service between St. Louis and the City of Mexico was inaugurated in January, 1906, and operated until the following May. These trains attracted general attention, and their popularity and excellence were attested by a very liberal patronage. The service will be renewed the coming season.

FREIGHT TRAFFIC.

The freight traffic for the past year has given very satisfactory results. The earnings increased $3,301,612.93 or 11.3 per cent.

With the exception of cotton and its products, which traffic was affected by a shortage of the crop and by yellow fever in Louisiana, there was a substantial increase in the principal commodities carried, showing a steady growth in the general business.

The number of tons of revenue freight carried one mile increased from 3,591,020,738 in 1904-05, to 4,197,333,656 in 1905-06., or 606,312,918 ton miles.

The strike of the bituminous coal miners in the spring months affected the traffic injuriously, and considerably depleted the earnings from that source.

Tracks and bridges were damaged by floods during the year, to the extent of $211,129.00 causing serious interruptions to traffic, particularly between St. Louis and Kansas City, the main east and west artery, over which through traffic was suspended from this cause two weeks, one each in September and October, 1905. High water and washouts occurred also between St. Louis and Texarkana on several occasions, and on the Joplin, Omaha and Central Kansas Divisions, all of which caused a large loss of business.

Unusual activity has been in evidence along all industrial lines. Many new plants of various enterprise have been established along the Company's lines which will materially add to the future growth and strength of the traffic.

New commercial freight agencies were established during the year at several important cities, which have been the means of increasing the business.

Rates throughout the year have been fairly well maintained. It is believed that the amended Interstate Commerce Law which became effective August 28th, 1906, will have a most salutary effect on the stability of rates and in this regard may prove beneficial, though the generality of rates now in effect owing to the destructive competition of the past and the increased value of all commodities are altogether too low.

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INDUSTRIAL DEPARTMENT.

During the fiscal year ended June 30th, 1906, there were established on the Company's lines 457 industries, employing $24,834,000 capital and pledged to deliver annually to the Company for shipment 190,980 carloads of freight.

These industries embrace 33 different classes of enterprise and trade, including saw mills, furniture and vehicle factories, cement and brick plants, coal mines, zinc and lead smelters, foundries and machinery factories, cotton gins, compresses and oil refineries, stone quarries, glass factories, flour mills and elevators, creameries, canneries and others, all of which go to show the diversified character of the business which is capable of being sustained by the vast and varied resources of the country traversed by the Company's railroads.

The Arkansas mineral district along the White River Division is fast gaining a reputation as a large producer of high grade ores, and mining investors are entering the field.

There are as yet untouched in the country tributary to the Company's lines in Kansas, Missouri and Arkansas, large deposits of granite, limestone, marble, onyx, fullers earth, barytes, asbestos, asphaltum and other clays and minerals to which the attention of capital is being directed and which will yield a large traffic when developed.

Special attention has been given agricultural work along the lines and with satisfactory results. In this, the support and co-operation of State agricultural colleges, State experimental stations and the United States Agricultural Department have been freely given. Farmers have been instructed by trained experts on improved methods of tilling the soil, and where natural conditions were favorable they were advised as to the best means of producing live stock, poultry, forage crops, hay, potatoes, fruit and vegetables for the market as well as for home uses. Diversified farming, dairying, corn breeding, crop rotation and its beneficial effects on the soil, and kindred subjects were, by lectures, entered into at length, and the great interest manifested in them by the farmers would bespeak better results in the future.

I take pleasure in acknowledging the faithful and efficient services of the officers and employes under my charge during the year.

Annexed hereto may be found the General Auditor's Statements, Accounts and Statistics relating to the business of the fiscal year, and the condition of the Company's financial affairs on June 30th, 1906.

Respectfully submitted,

C. S. CLARKE,

Vice-President.

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APPENDIX.

FINANCIAL AND STATISTICAL STATEMENTS.

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E. M. CURTIS,
Assistant General Auditor.

S. B. SCHUYLER,
General Auditor.

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McGEHEE TO EUDORA: From McGehee to a junction at Eudora with the new line under construction between Eudora and Gilbert, 85-pound rail and ballast have been provided.

GILBERT TO FERRIDAY: Between Gilbert, the junction of the N. O. & N. W. Ry., with the new Eudora-Gilbert line, and Ferriday, the junction with the T. & P. R. R., the renewal of the light rail with 85-pound rail has been in progress.

FERRIDAY: At Ferriday, a terminal consisting of yard, eighteen stall engine house, coaling station, ash pit and water station, has been practically completed at a cost of $96,615.83, still carried in suspense awaiting division with the Texas & Pacific Railway.

At Cornell, Kan., an assembling yard has been provided, consisting of eight tracks each of 46 car capacity to facilitate the distribution of coal from the adjacent coal fields. This improvement includes a 45 foot double cinder pit and a locomotive coaling crane with clam shell bucket for coaling engines and removing cinders from pits.

At Bush, Ill., an assembling yard is under construction to reduce the cost of handling coal shipments from the Illinois fields. The improvements consist of a five stall engine house, 75 foot cinder pit, water station and 20,000 feet of yard tracks.

Seventeen frame combination depots were erected at different points on the System and sixteen section houses with tool houses complete were erected on the Illinois Division.

At St. Louis, Mo., a modern brick and steel outbound freight depot 36 feet wide by 583 feet long, 76 feet of south end of which is two stories high and the remainder one story, having a platform 8 feet wide on the track side full length of building, was constructed at Biddle and O'Fallon streets.

At Lee's Summit, Mo., Eastern Division, there has been erected a brick, one-story combination depot 24x145 feet on concrete foundation, having slate roof, and at Independence, Kan., Southern Kansas Division, there has been erected a brick, slate roof passenger station, 30x108 feet on concrete foundation.

At Pine Bluff, Ark., Valley Division, there has been erected a brick, tile roof passenger station on concrete foundation, 30x240 feet, with platform shed full length of structure. There has also been erected a brick freight depot 40x217 feet, 36 feet of one end being two story, the remainder one story, having concrete foundation and platform 10 feet wide on track side full length of building. Macadam driveways have also been provided at rear of station. A second track has been provided through the city for the purpose of giving uninterrupted access of both the trains of the Cotton Belt and this Company to the new passenger station, together with necessary switching and house tracks.

At Newport, Ark., Arkansas Division, a brick freight depot with necessary track facilities has been provided.

At Baring Cross, Ark., brick boiler shop 153x206 feet; brick car machine shop 50x80 feet; brick coach shop 200x200 feet (replacing original shop destroyed by fire); brick water closet 22x45 feet and a concrete oil tank pit, have been constructed, equipped with machinery, steam heat and electric lights.

Seven water softening plants were completed during the year at a cost of $15,070.99, the resultant reduction in engine failures and repairs being very gratifying. The replacing of small capacity water tanks with standard 100,000 gallon tanks, the construction of storage reservoirs and the replacing of light with heavy pumping machinery have produced considerable savings in operating costs and delay to trains.

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STATEMENT No. 1.

MILEAGE TABLE, JUNE 30th, 1906.

NAME OF ROAD.	Miles Owned.	Miles Leased.	TOTAL.	MILEAGE IN Mo.	Kan.	Neb.	Col.	Ind. T.	Ark.	La.	Tenn.	Ill.
The Missouri Pacific Railway—Main Line,			1,841.22									
Owned,	1,556.57			861.23	395.23	300.11						
Leased,		284.65		95.40	183.78	5.47						
The Missouri Pacific Railway—Branch Lines,			1,651.32									
Owned,	1,499.20			15.61	1,412.33	71.26	152.12					
Leased,		152.12										
The Central Branch Railway,			388.19									
Owned,	388.19				388.19							
Leased,												
St. Louis, Iron Mountain & Southern Railway,			2,459.15									
Owned,	2,215.18			508.86					1,301.32	247.09		157.91
Leased,		243.97		51.83	2.41			162.93	8.45	.18	2.07	16.10
Missouri Pacific System,			6,339.88									
Owned,	5,659.14			1,532.93	2,381.94	376.84	152.12	162.93	1,309.77	247.27	2.07	174.01
Leased,		680.74		1,385.70	2,195.75	371.37			1,301.32	247.09		157.91
				147.23	186.19	5.47	152.12	162.93	8.45	.18	2.07	16.10
Adjust Lines Leased by one System Company to another, from Lines Leased to Lines Owned,	A 512.25	D 512.25		20.70	161.82		152.12	162.93	5.89		1.07	7.72
Mileage Owned and Controlled by Capital Stock of The Missouri Pacific Railway,	6,171.39			1,406.40	2,357.57	371.37	152.12	162.93	1,307.21	247.09	1.07	165.63
Mileage Leased from Foreign Companies,		168.49		126.53	24.37	5.47			2.56	.18	1.00	8.38
Adjusted Totals,	6,171.39	168.49	6,339.88									
Deduct connection over The Central Branch Railway Tracks at Atchison, included both in The Missouri Pacific Railway and The Central Branch Railway Mileage,		1.89	1.89									
Deduct connection over The Missouri Pacific Railway Co.'s Tracks at Leavenworth, included both in The Missouri Pacific Railway and The Kansas City Northwestern R. R. Mileage,		.92	.92									
Total Deductions,		2.81	2.81		2.81							
Missouri Pacific System, Total Mileage in Operation,			6,337.07	1,532.93	2,379.13	376.84	152.12	162.93	1,309.77	247.27	2.07	174.01
Owned,	6,171.39			1,406.40	2,357.57	371.37	152.12	162.93	1,307.21	247.09	1.07	165.63
Leased from Foreign Companies,		165.68		126.53	21.56	5.47			2.56	.18	1.00	8.38

STATEMENT No. 2.

INCOME ACCOUNT.

THE MISSOURI PACIFIC RAILWAY COMPANY.

For the Year ended June 30th, 1906.

To Operating Expenses:				**By Earnings:**		
Maintenance of Way and Structures,	$ 1,800,111.36			Freight,	$ 10,440,945.28	
Maintenance of Equipment,	1,667,032.34			Passenger,	3,078,463.56	
Conducting Transp.—Traffic,	392,371.53			Mail,	632,837.05	
Conducting-Transp.—Operation,	5,885,276.52			Express,	298,509.31	
General Expenses,	707,874.77	$ 10,452,666.52		Rent,	69,845.56	
Net Earnings,		4,509,751.09		Miscellaneous,	441,816.85	$ 14,962,417.61
		$ 14,962,417.61				$ 14,962,417.61
To Accrued Interest on Bonds:				**By Surplus Earnings Main Line,**	$ 4,509,751.09	
1st Mortgage, Pac. R. R. of Mo.,	$ 280,000.00			Add Branch Lines Surplus,	1,101,964.81	
2nd Mortgage, Pac. R. R. of Mo.,	128,650.00			Surplus Earnings,		$ 5,611,715.90
Real Estate Security, Pac. R. R. of Mo.	40,000.00			**By Waterloo & Carondelet Turnpike & Ferry Co. Earnings,**	$ 17,906.29	
1st Mortgage, Pac. R. R. of Mo., Carondelet Branch,	10,687.50			Less Expenses,	11,006.22	6,900.07
3rd Mortgage, Mo. Pac. Ry.,	267,960.00			**By Dividends Received:**		
1st Mortgage, The Mo. Pac. Ry., Lexington Branch,	32,500.00			American Refrigerator Transit Co.,	$ 15,499.30	
Consolidated Mtge., The Mo. Pac. Ry.	894,240.00			Baring Cross Bridge Co.,	10,500.00	
Trust. Five %, The Mo. Pac. Ry.,	718,800.00			Coal Companies,	410,000.00	
1st Collateral Mtg., The Mo. Pac. Ry.	481,800.00			Pacific Express Co.,	144,000.00	
Four % Gold Loan, The Mo. Pac. Ry.	1,000,000.00	$ 3,854,637.50		Union Depot Companies,	4,475.00	
Two-Year Gold Notes, The Mo. Pac. Ry.		300,000.00		Southwest Lead & Zinc Works,	2,100.00	
				The Mo. Pac. Ry. Co.,	20,500.00	
To Taxes:				St. Louis & Miss. Val. Transpn. Co.,	1,173.50	
Main Line,	$ 474,380.05			Denver & Rio Grande R. R. Co.,	547,500.00	
Branch Lines,	339,011.98	813,392.03		The Central Branch Ry. Co.,	1,061,900.00	
				Pueblo Stock Yards Co.,	20,000.00	
To Rentals, Account Leased Roads and Trackage Rights:				Certificates Mo. Pac. Equipment Ass'n	250.00	
Boonville, St. L. & So. Ry.,	$25,000.00			Interest on Trust 5 Per Cent Bonds, The Mo. Pac. Ry.,	50.00	
Le R. & C. V. Air Line R. R.,	26,000.00			Interest on 1st Mortgage Bonds, Series "A," K. C. N. W. R. R.,	100.00	
V. V. Ind. & West. R. R.,	40,300.00	$ 91,300.00		Interest on 1st Mortgage Bonds, Southern Ill. & Mo. Bridge Co.,	10,400.00	
H. & St. J. R. R. Track,	$10,658.36			Interest on 1st Mortgage Bonds, Pacific R. R. of Mo.,	160.00	
K. C., St. J. & C. B. R. R. Trk.	7,000.00			Interest on 1st Mortgage Bonds, Concordia Coal Co.,	15,000.00	
The C. B. Ry. A. to C. B. Jct.	7,382.04			Interest on 1st Mortgage Bonds, National Sugar Mfg. Co.,	1,710.00	
The K. C. N. W. R. R.,	51,300.00			Interest on Gold Coupon Certificates, National Sugar Mfg. Co.,	205.20	2,265,523.00
A., T. & S. F. Ry.,	7.200.00					
St. J. & G. I. Ry.,	4,000.00			**By Dividend Received on Capital Stock:**		
K. C., C. & S. Ry.,	168.00	87,708.40	179,008.40	St. L., I. M. & S. Ry. Co. exchanged for Capital Stock of The Missouri Pacific Ry.,		4,106,954.60
To Sundry Amounts:				**By Rentals, Account Leased Roads:**		
U.S. Gov. Deductions acc't Land Grant	$ 1,843.13			Iron Mountain R. R. of Memphis, for Terminal Facilities,	$ 20,000.00	
Discount and Premium,	132,836.56			The Kansas City Northwestern R. R.,	26,492.28	46,492.28
Equipment Association Expenses, Interest and Discount,	339,401.18			**By Sundry Amounts:**		
Excess Expenses over Earnings, Kansas Central Elevator,	3,332.74			Sleeping Car Earnings,	$ 173,013.16	
Union Depot Rentals, etc.,	64,136.47	541,550.08		Interest and Exchange,	361,590.22	
				Miscellaneous Receipts: Unclaimed Wages, Vouchers, Pay Checks, etc.,	49,184.72	583,788.10
To Surplus Applicable to Dividends for Year,		6,932,785.94				$ 12,621,373.95
		$ 12,621,373.95				
To Dividend No. 53, Paid July, 1905,		$ 1,945,435.00				
To Dividend No. 54, Paid Jan., 1906,		1,945,435.00				
To Dividend No. 55, Decl'd June, 1906,		1,945,435.00		**By Surplus Applicable to Dividends for Year,**		$ 6,932,785.94
To Net Surplus for Year,		1,096,480.94				
		$ 6,932,785.94				$ 6,932,785.94
				By Net Surplus for Year,		$ 1,096,480.94
To Balance to Credit of Income Account, June 30th, 1906,		$ 6,455,423.61		**By Balance of Income Account, July 1st, 1905,**		5,358,942.67
		$ 6,455,423.61				$ 6,455,423.61

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STATEMENT No. 3.

FINANCIAL EXHIBIT.

THE MISSOURI PACIFIC RAILWAY COMPANY.

June 30th, 1906.

To Cost of Road, Equipment, etc.,		$ 72,508,400.24	By Capital Stock; (including amount exchanged for Capital Stock of St. Louis, Iron Mountain & Southern Railway,)		$ 77,817,875.00
Supplies and Material on Hand,		3,375,612.10	Funded Debt,		85,012,000.00
Investments in Stocks and Bonds		92,890,793.28	Equipment Association Obligations,		6,136,000.00
Expenditures Account of Construction and Projected Lines		1,788,962.82			
Cash:					
In hands of Treasurer, Local Treasurer and Paymasters,	$ 3,482,722.02		Interest Due and Accrued:		
In Transit, account Agents,	883,262.42	4,365,984.44	Due and uncalled for,	$ 83,825.00	
Discount Funds on Bonds Sold,		2,559,166.67	Accrued but not due,	1,340,005.18	1,423,830.18
Sundry Accounts Collectible:					
Due from Agents and Conductors,	$ 1,012,276.23		Accounts Payable:		
Due from United States Government, account Mail Service,	349,909.58		Vouchers prior to June, 1906,	$ 877,202.14	
Due from United States Government, account Transportation of Freight and Passengers,	46,889.65		Vouchers for Supplies for June 1906, due July 20th, 1906,	1,327,985.39	
Due from Pacific Express Co.,	76,354.54		Pay Rolls for June 1906, due July 15th, 1906,	1,719,763.08	
Due from Sundry Railroads and Individuals,	2,676,412.63		Pay Checks outstanding,	190,346.79	
Due from Foreign Roads, account overcharges refunded,	29,601.76		Notes Payable,	6,000.00	
Notes Receivable,	281.25	4,191,725.64	Due to Sundry Railroad Companies and Individuals,	655,355.80	
Sundry Property Accounts:			Dividend No. 55 Payable July 20th, 1906,	1,945,435.00	6,722,088.20
Elevators, Town Lots, etc.,		47,675.52	Special Fund Accounts; Insurance, etc.,		833,938.17
Advances to Sundry Agents, awaiting adjustment, etc.,		412,181.39	Due to The Central Branch Railway Company,		263,000.71
Advances for Purchase of Property,		804,756.77			
Sundry other Advances,		782,596.54			
Due from St. L., I. M. & S. Ry. Co.,		936,300.46			
			Balance of Income Account June 30th, 1906,		6,455,423.61
		$184,664,155.87			$184,664,155.87

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STATEMENT No. 4.

INCOME ACCOUNT.

THE CENTRAL BRANCH RAILWAY.

For the Year ended June 30th, 1906.

	Land Grant Division.	West Division.	
To Operating Expenses:			
Maintenance of Way and Structures,	$ 66,651.51	$ 104,083.42	
Maintenance of Equip'mt	76,358.35	157,121.22	
Cond. Transp.—Traffic,	19,512.79	24,318.17	
Cond. Transp.—Operat'n	220,168.84	344,177.37	
General Expenses,	30,509.25	40,303.62	
	$ 413,200.74	$ 670,003.80	$1,083,204.54
Net Earnings,			793,739.38
			$1,876,943.92

	Land Grant Division.	West Division.	
By Earnings:			
Freight,	$ 676,176.43	$ 767,155.53	
Passenger,	113,029.92	215,583.36	
Mail,	17,736.28	30,138.60	
Express,	20,757.78	21,759.37	
Rent,	781.95	901.00	
Miscellaneous,	4,962.88	3,705.67	
Telegraph,	1,097.82	3,157.33	
	$ 834,543.06	$1,042,400.86	$1,876,943.92
			$1,876,943.92

To Accrued Interest on Bonds:			
First Mortgage Bonds The Central Branch Union Pacific Ry. Co.,	$ 100,000.00		
First Mortgage Bonds The Central Branch Ry. Co.,	138,360.00	$ 238,360.00	
To Taxes:			
Land Grant Division,	$ 48,868.52		
West Division,	59,643.12	108,511.64	
To Improvement Expenditures:			
Land Grant Division,	$ 7,505.37		
West Division,	4,086.70	11,592.07	
(See page 71.)			
To Supplus Applicable to Dividends for Year,		442,945.11	
		$ 801,408.82	
To Dividend No. 1, Paid on Surplus prior to June 30th, 1905,	$ 758,500.00		
To Dividend No. 2, Paid on Current Surplus,	303,400.00	$1,061,900.00	
To Balance to Credit of Income Account, June 30th, 1906,		285,296.89	
		$1,347,196.89	

By Net Earnings brought down,			$ 793,739.38
By Rentals:			
Account Atchison Joint Track: Land Grant Division,			7,382.04
By Sundry Amounts:			
Unclaimed Wages, etc., cancelled:			
Land Grant Division,	$ 32.20		
West Division,	255.20		287.40
By Surplus Applicable to Dividends for Year,			$ 442,945.11
By Balance of Income Account, July 1st, 1905,			904,251.78
			$1,347,196.89

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STATEMENT No. 5.

FINANCIAL EXHIBIT.

THE CENTRAL BRANCH RAILWAY.

For the Year ended June 30th, 1906.

To Cost of Road and Equipment,		$ 13,544,000.00	By Capital Stock,		$ 7,585,000.00
Real Estate,		988.02	Funded Debt:		
Lands Purchased,		23,802.94	First Mortgage Bonds, The C. B. U. P. Ry. Co.,	$ 2,500,000.00	
Investments:			First Mortgage Bonds, The C. B. Ry. Co.,	3,459,000.00	5,959,000.00
1,589 First Mortgage Bonds with Coupons, Atchison & Pike's Peak R. R.,			Interest Due and Accrued:		
624 Funded Coupon Bonds, Central Branch Union Pacific R. R.,		1,001.00	Due and uncalled for,	$ 4,820.00	
9 Shares Capital Stock, Atchison Union Depot & R. R. Co.,			Accrued but not due,	65,983.33	70,803.33
Sundry Accounts Collectible:			Balance of Income Account, June 30th, 1906,		285,296.89
United States Government, Land Grant Division,		67,307.55			
Amount due from The Mo. Pac. Ry. Co. (Current Account),		263,000.71			
		$ 13,900,100.22			$13,900,100.22

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STATEMENT No. 6.

INCOME ACCOUNT.

ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY.

For the Year ended June 30th, 1906.

To Operating Expenses:				**By Earnings:**		
Maintenance of Way and Structures,	$ 2,430,037.04			Freight,	$ 15,777,881.05	
Maintenance of Equipment,	2,467,040.37			Passenger,	4,022,598.17	
Conducting Transp.—Traffic,	482,942.06			Mail,	543,029.43	
Conducting Transp.—Operation,	6,995,636.79			Express,	505,793.05	
General Expenses,	955,160.40	$ 13,330,816.66		Rent,	29,244.72	
Net Earnings,		7,878,960.51		Miscellaneous,	331,230.75	$ 21,209,777.17
		$ 21,209,777.17				$ 21,209,777.17
To Accrued Interest on Bonds:						
Gen'l Con. Ry. & Land Grant Mtge.,	$ 2,180,795.83			**By Net Earnings brought down,**		$ 7,878,960.51
1st Preferred Income,	2,653.35					
Unifying and Refunding Four Per Cent. Gold,	1,217,220.00			**By Dividends Received:**		
River and Gulf Divisions, 1st Mtge.,	914,160 00			American Refrigerator Transit Co.,	$ 17,980.04	
	$ 4,314,829.18			The Missouri Pacific Ry. Co.,	75.00	
Less Adjustment of Fixed Charges:				St. Louis & Miss. Valley Transp. Co.,	188.00	
Cancellation of Interest prior to July 1st, 1905, on General Consolidated Bonds redeemed,	312.50	$ 4,314,516.68		Little Rock & Hot Springs West. R.R.	39,900.00	
				Iron Mountain Car Trust Certificates,	172.50	
				Interest on Gen. Con. Ry. and Land Grant Mtge. Bonds,	1,750.00	
				Interest on 1st Mtge. Bonds, Arkansas & Louisiana Ry.,	19,200.00	
To Taxes,		536,020.29		Interest on 2nd Mtge. Bonds, Texas & Pacific Ry.,	1,183,400.00	
To Rentals, Account Leased Roads and Trackage Rights:				Interest on Two-Year 5 Per Cent. Notes Texas & Pacific Ry.,	118,340.00	
Little Rock Junction Ry., $26,520.00				Interest on 1st Mtge. Bonds, Southern Illinois & Mo. Bridge Co.,	10,400.00	
Iron Mtn. R.R. of Memphis, 20,000.00	$ 46,520.00			Interest on River and Gulf Divisions, 1st Mtge. Bonds,	21,900.00	
Terminal Railroad Association,	3,750.00	50,270.00		Interest on Unifying and Refunding Mtge. Bonds,	480.00	
To Sundry Amounts:				Interest on 1st Mtge. Bonds, St. Louis, Watkins & Gulf Ry.,	48,650.00	
U. S. Gov'ment Deductions account Land Grant,	$ 13,279.38			Interest on 1st Mtg. Bonds, Miss. Riv., Hamburg & Western R. R.,	22,102.12	
Discount and Premium,	131,726.00			Interest on 1st Mtge, Bonds, Arkansas Southwestern Ry.,	62,700.00	1,547,237.66
Baring Cross Bridge Expenses,	39,700.00			**By Sundry Amounts:**		
Car Trust Expenses, Interest and Discount,	374,114.84	558,820.22		Interest and Exchange,	$ 135,936.15	
				Miscellaneous Credits: Unclaimed Wages, Subsidies, etc.,	27,264.72	163,200.87
To Surplus Applicable to Dividends for Year,		4,129,771.85				
		$ 9,589,399.04				$ 9,589,399.04
To Dividend No. 11, Paid:						
Amount paid on Capital Stock exchanged for Capital Stock of The Missouri Pacific Railway Co.,	$ 2,053,477.30			**By Surplus Applicable to Dividends for Year,**		$ 4,129,771.85
Amount paid on Capital Stock held by others,	3,816.75					
To Dividend No. 12, Paid:						
Amount paid on Capital Stock exchanged for Capital Stock of The Missouri Pacific Railway Co.,	2,053,477.30					
Amount paid on Capital Stock held by others,	3,816.75					
Total Dividend paid,		$ 4,114,588.10				
To Net Surplus for Year,		15,183.75				
		$ 4,129,771.85				$ 4,129,771.85
To Balance to Credit of Income Account, June 30th, 1906,		$ 7,788,022.13		**By Net Surplus for Year,**		$ 15,183.75
				By Balance of Income Account July 1st, 1905,		7,772,838.38
		$ 7,788,022.13				$ 7,788,022.13

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STATEMENT No. 7.

FINANCIAL EXHIBIT.

ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY,

June 30th, 1906.

To Cost of Road, Equipment, Etc.,		$103,343,056.80	By Capital Stock:		
United States Land Grants:			St. Louis, Iron Mountain & Southern Ry.,	$ 44,390,098.59	
Value of Lands in Arkansas,	$ 1,783,256.22		St. Louis & Iron Mountain R. R.	500.00	
Value of Lands in Missouri,	7,277.39	1,790,533.61	Cairo, Arkansas & Texas R. R.,	125.00	
			Cairo & Fulton R. R.,	6,650.00	$ 44,397,373.59
Investments in Stocks and Bonds,		43,850,892.63	Funded Debt:		
			Funded Debt,	$ 97,868,905.00	
Expenditures Acc't Surveys and Construction Projected Lines,		3,471,486.35	General Consolidated Ry. and Land Grant Mortgage Bond Scrip,	1,107.06	
Discount Funds on Bonds Sold,		3,200,985.11	Unifying and Refunding Mortgage Bond Scrip,	2,330.00	
Arkansas Land Grant Accounts:			River and Gulf Divisions First Mortgage Bond Scrip,	962.29	97,873,304.35
Arkansas Trust Land Notes,	$ 498,259.53				
Taxes due from Purchasers,	2,765.30		Car Trust Obligations,		6,770,000.00
G. A. A. Deane, Land Commissioner,	19,498.17		Interest Due and Accrued:		
Cash in hands of Mercantile Trust Company,	11,783.11	532,306.11	Due and uncalled for,	$ 44,633.65	
			Accrued but not due,	1,314,137.51	1,358,771.16
Missouri Land Grant Accounts:			Accrued Rentals Guaranteed:		
Missouri Land Grant Notes,	$ 896.57		Little Rock Junction Ry.,	$ 6,555.00	
Taxes due from Purchasers,	56.73	953.30	Little Rock & Ft. Smith Ry.,	828.75	7,383.75
Cash:					
In hands of Treasurer,		743,327.37	Accounts Payable:		
Bills Receivable,		38,561.05	Due to Sundry Railroad Companies and Individuals,		352,899.63
Sundry Accounts Collectible:					
Due from Sundry Railroads and Individuals,		367,620.34	Due to The Missouri Pacific Ry. Co.,		936,300.46
Sundry Property Accounts,		51,393.62			
Amounts Due:					
From Little Rock Junction Railway,	$ 5,376.15				
From Little Rock & Ft. Smith Railway, principally for Rebuilding Road,	2,087,562.63	2,092,938.78	Balance of Income Account June 30th, 1906,		7,788,022.13
		$159,484,055.07			$159,484,055.07

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STATEMENT No. 8.

Statement showing Resources and their Application during the Year ended June 30th, 1906.

THE MISSOURI PACIFIC RAILWAY COMPANY.

RESOURCES.			
NET EARNINGS, AS PER INCOME ACCOUNT,			$ 5,611,715.90
MISCELLANEOUS CREDITS TO INCOME ACCOUNT:			
Waterloo and Carondelet Turnpike & Ferry Co., Net Earnings,		$ 6,900.07	
Dividends received,		6,372,477.60	
Rentals account Leased Lines,		46,492.28	
Sundry amounts,		583,788.10	7,009,658.05
INCREASE IN LIABILITIES:			
Pay Checks outstanding,		$ 73,731.98	
Missouri Pacific Equipment Association Certificates,		172,000.00	
Due to Sundry Railroads and Individuals,		154,250.96	
Dividend No. 55 payable July 20th, 1906,		1,945,435.00	2,345,417.94
DECREASE IN ASSETS:			
Cash on Hand and in Transit,		$ 5,450,893.13	
Due from United States Post Office Department, Mail Service,		1,199.74	
Due from United States War Department, Transportation,		8,011.67	
Due from Foreign Roads, Overcharges,		37,468.59	
Notes Receivable,		2,000.00	
Equipment under Contract,		75,000.00	
St. Louis, Iron Mountain & Southern Ry., Current Account,		15,230,233.22	20,804,806.35
			$ 35,771,598.24
APPLICATION OF RESOURCES.			
MISCELLANEOUS CHARGES TO INCOME ACCOUNT:			
Interest paid on Bonds,	$4,155,720.00		
Less Decrease in Interest Due, not called for,	1,082.50		
Total Interest Accrued on Bonds,		$ 4,154,637.50	
Taxes,		813,392.03	
Rentals account Leased Lines and Trackage Rights,		179,008.40	
Sundry Amounts,		541,550.08	
Dividends Paid and Declared,		5,836,305.00	$ 11,524,893.01
INCREASE IN ASSETS:			
Additions to Property, as per statement,		$ 2,208,594.47	
Material and Supplies,		984,862.36	
Expenditures account Construction and Projected Lines,		916,618.85	
Investments,		16,391,492.71	
Due from Agents and Conductors,		19,410.69	
Due from Pacific Express Company,		3,110.25	
Due from Sundry Railroads and Individuals,		1,114,938.85	
Sundry Property Accounts,		4,881.37	
Discount Funds on Bonds Sold,		31,875.00	
Advances to Sundry Agents, awaiting adjustment, etc.,		327,706.50	
Advances for purchase of property,		520,530.59	
Sundry other advances,		287,648.92	22,901,670.56
DECREASE IN LIABILITIES:			
Vouchers and Pay Rolls,		$ 500,567.32	
Interest Due, not called for,		1,082.50	
Special Fund Accounts, Insurance, etc.,		211,515.44	
The Central Branch Railway, Current Account,		631,869.41	1,345,034.67
			$ 35,771,598.24

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STATEMENT No. 9.

Statement showing Resources and their Application during the Year ended June 30th, 1906.

THE CENTRAL BRANCH RAILWAY COMPANY.

RESOURCES.			
NET EARNINGS, AS PER INCOME ACCOUNT,			$ 793,739.38
MISCELLANEOUS CREDITS TO INCOME ACCOUNT:			
Rental Joint Property, Atchison,		$ 7,382.04	
Sundry amounts,		287.49	7,669.44
INCREASE IN LIABILITIES:			
Interest Due, not called for,			180.00
DECREASE IN ASSETS:			
The Missouri Pacific Ry., Current Account,			631,869.41
			$ 1,433,458.23
APPLICATION OF RESOURCES.			
MISCELLANEOUS CHARGES TO INCOME ACCOUNT:			
Interest paid on Bonds,	$238,180.00		
Increase in Interest Due, not called for,	180.00		
Total Interest Accrued on Bonds,		$ 238,360.00	
Taxes,		108,511.64	
Sundry amounts,		11,592.07	
Dividends paid,		1,061,900.00	$ 1,420,363.71
INCREASE IN ASSETS:			
Accounts Collectible,			13,094.52
			$ 1,433,458.23

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STATEMENT No. 10.

Statement showing Resources and their Application during the Year ended June 30th, 1906.

ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY.

RESOURCES.			
NET EARNINGS AS PER INCOME ACCOUNT,			$ 7,878,960.51
MISCELLANEOUS CREDITS TO INCOME ACCOUNT:			
Dividends received,		$ 1,547,237.66	
Sundry amounts,		163,200.87	1,710,438.53
INCREASE IN LIABILITIES:			
Capital Stock,			
Unifying and Refunding Mortgage Bonds and Scrip,		$ 15,000,000.00	
River and Gulf Divisions Mortgage Bonds and Scrip,		77,625.00	
Interest due, not called for,		2,607,173.90	
Interest accrued, not due,		18,565.00	
Car Trust obligations,		17,878.33	
		1,040,000.00	18,761,242.23
DECREASE IN ASSETS:			
Investments,			
Cash,		$ 2,478,397.61	
Bills Receivable,		486,616.19	
Missouri Land Grant Accounts,		6,872.63	
Equipment under Contract,		646.64	
Due from Little Rock & Ft. Smith Ry. Co.,		256,734.00	
		1,514,104.96	4,743,372.03
			$ 33,094,013.30
APPLICATION OF RESOURCES.			
MISCELLANEOUS CHARGES TO INCOME ACCOUNT:			
Interest paid on Bonds,	$4,278,073.35		
Increase in Interest due, not called for,	18,565.00		
Increase in Interest accrued, not due,	17,878.33		
Total Interest accrued on Bonds,		$ 4,314,516.68	
Taxes,		536,020.29	
Rentals, account Leased Lines and Trackage Rights,		50,270.00	
Sundry Amounts,		558,820.22	
Dividends Paid,		4,114,588.10	$ 9,574,215.29
INCREASE IN ASSETS:			
Additions to Property, as per statement,		$ 6,308,238.15	
Value of Lands in Arkansas,		1,048,034.53	
Value of Lands in Missouri,		733.80	
Expenditures account Construction and Projected Lines,		495,026.92	
Sundry Property Accounts,		9,861.05	
Arkansas Trust Land Accounts,		187,359.95	
Discount Funds on Bonds Sold,		110,479.00	
Due from Sundry Railroads and Individuals,		11,686.74	8,171,420.14
DECREASE IN LIABILITIES:			
General Consolidated Railway and Land Grant Mortgage Bonds,		$ 95,000.00	
Accrued Rentals, guaranteed,		818.30	
Due to Sundry Railroads and Individuals,		22,326.35	
The Missouri Pacific Railway Co., Current Account,		15,230,233.22	15,348,377.87
			$ 33,094,013.30

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STATEMENT No 11.

INVESTMENTS IN STOCKS, BONDS AND OTHER PROPERTIES.

THE MISSOURI PACIFIC RAILWAY COMPANY,

June 30th, 1906.

DESCRIPTION	No. of Shares or Bonds.	PAR VALUE. Amount.	PAR VALUE. Total.	PAR VALUE. Total.	COST TO COMPANY. Amount.	COST TO COMPANY. Total.
I. Securities Owned:						
DEPOSITED AS SECURITY FOR ISSUE OF TRUST AND FIRST COLLATERAL BONDS, 2-YEAR GOLD NOTES, AND 40-YEAR GOLD LOAN:						
1. FOR ISSUE OF TRUST FIVE PER CENT. BONDS:						
First Mortgage Bonds, Kansas & Colorado R. R.,	2,041	$ 2,041,000.00				
" " Denver, Memphis & Atlantic Railway,	6,561	6,561,000.00				
" " Pueblo & State Line R. R.,	2,270	2,270,000.00				
" " Ft. Scott, Wichita & Western Railway,	1 Bond,	4,666,000.00				
" " Wichita & Colorado Railway,	705	705,000.00				
" " Salina, Sterling & El Paso R. R.,	600	600,000.00				
" " Kansas Southwestern Railway,	372	372,000.00		$17,215,000.00	$14,376,000.00	
2. FOR ISSUE OF FIRST COLLATERAL BONDS:						
First Mortgage Bonds, Council Grove, Osage City & Ottawa Ry.,	1,110	$ 1,110,000.00				
" " Topeka, Salina & Western R. R.,	1,273	1,273,000.00				
" " The Missouri Pacific Railway in Kansas,	300	300,000.00				
" " Council Grove, Smoky Valley & West'n Ry.,	417	417,000.00				
" " Kansas, Nebraska & Dakota Railway,	2,055	2,055,000.00				
" " Grouse Creek Railway,	376	376,000.00				
" " Rooks County R. R.,	275	275,000.00				
" " Pacific Railway in Nebraska,	1,095	1,095,000.00				
" " Interstate Railway,	1,622	1,622,000.00				
" " St. Louis, Oak Hill & Carondelet Ry.,	400	400,000.00				
" " Kansas City & Southwestern Railway,	550	550,000.00				
" " Kansas City & Southwestern Ry. of Mo.,	407	407,000.00				
" " Ft. Scott Cent. Ry: Ft. Scott & East'n Ry.,	394	394,000.00				
" " " " Ft. Scott Belt Ter. Ry.,	195	195,000.00				
" " " " Ft. Scott & So. Ry.,	383	383,000.00				
" " Joplin & Western Railway,	69	69,000.00				
" " Omaha Southern Railway,	382	382,000.00				
" " Nebraska Southern Railway,	242	242,000.00				
" " Iron Mountain R. R. of Memphis,	500	500,000.00		12,045,000.00	9,636,000.00	
3. FOR ISSUE OF TWO-YEAR GOLD NOTES:						
Capital Stock, Wabash Railroad Co., Prfd.	20,000	$ 2,000,000.00				
" " Denver & Rio Grande Railroad Co., "	40,000	4,000,000.00				
" " Denver & Rio Grande Railroad Co., Com.	100,000	10,000,000.00				
" " St. Louis, Iron Mountain & So. Ry. Co.,	25,000	2,500,000.00		18,500,000.00	11,490,565.42	
4. FOR ISSUE OF FORTY-YEAR GOLD LOAN:						
Capital Stock, St. Louis, Iron Mountain & Southern Ry.,	250,000	$25,000,000.00		25,000,000.00	19,588,250.00	
HELD IN COMPANY'S TREASURY:						
Capital Stock, St. Louis, Iron Mountain & Southern Ry.,	168,354	$16,835,400.00				
" " The Missouri Pacific Ry. Co.,	4,100	410,000.00				
" " Omaha Belt Railway,	8,000	800,000.00				
" " Nevada & Minden Railway,	4,500	450,000.00				
" " Nevada & Minden Railway of Kansas,	6,750	675,000.00				
Totals forwarded,		$19,170,400.00		$72,760,000.00	$55,090,815.42	

STATEMENT No. 11—Continued.

INVESTMENTS IN STOCKS, BONDS AND OTHER PROPERTIES.

THE MISSOURI PACIFIC RAILWAY COMPANY,

June 30th, 1906.

DESCRIPTION.	No. of Shares or Bonds.	PAR VALUE. Amount.	PAR VALUE. Total.	PAR VALUE. Total.	COST TO COMPANY. Amount.	COST TO COMPANY. Total.
Totals forwarded,		$19,170,400.00		$72,760,000.00	$55,090,815.42	
HELD IN COMPANY'S TREASURY—Continued:						
Capital Stock, Omaha Southern Railway,	3,823	382,300.00				
" " Nebraska Southern Railway,	2,418	241,800.00				
" " Ft. Scott Central Railway,	11,148	1,114,800.00				
" " Joplin & Western Railway,	916	91,600.00				
" " St. Louis, Oak Hill & Carondelet Ry.,	4,000	400,000.00				
" " Kansas City & Southwestern Railway,	2,460	246,000.00				
" " Kansas City & Southwestern Ry. of Mo.,	2,070	207,000.00				
" " LeRoy & Caney Valley Air Line R. R.,	3,600	360,000.00				
" " Springfield Southwestern Ry. Co.,	1,600	160,000.00				
" " Carthage & Western Ry. Co.,	180	18,000.00				
" " Kansas & Colorado Pacific Railway,	223,035	22,303,500.00				
" " Pueblo & State Line R. R.,	15,500	1,550,000.00				
" " Kansas Southwestern Ry.,	3,399⅛	339,940.00				
" " Rooks County R. R.,	4,400	440,000.00				
" " Pacific Railway in Nebraska,	10,958	1,095,800.00				
" " Iron Mountain R. R. of Memphis,	7	700.00				
" " Sedalia, Warsaw & Southwestern Ry.,	5,160	516,000.00				
" " Winfield, Texas & Gulf Ry.,	352	35,200.00				
" " The Central Branch Railway,	75,850	7,585,000.00				
" " Central Branch Union Pacific R. R.,	8,742	874,200.00				
" " Atchison, Colorado & Pacific R. R.,	9,203	920,300.00				
" " Atchison, Jewell City & Western R. R.,	1,050	105,000.00				
" " Texas & Pacific Ry.,	65,250	6,525,000.00				
" " Denver & Rio Grande Ry., Com.	48,000	4,800,000.00				
" " Denver & Rio Grande Ry., Prfd.	33,000	3,300,000.00				
" " Rich Hill Coal Mining Co.,	5,000	500,000.00				
" " Western Coal & Mining Co.,	10,000	1,000,000.00				
" " Pacific Express Co.,	24,000	2,400,000.00				
" " American Refrigerator Transit Co.,	930	93,000.00				
" " Waterloo & Car. Turnpike & Ferry Co.,	998	99,800.00				
" " Kansas Central Elevator Co.,	750	75,000.00				
" " Coffeyville Elevator,	250	25,000.00				
" " Kansas-Missouri Elevator Co.,	3,000	300,000.00				
" " Omaha Fair & Speed Association,	200	5,000.00				
" " Townsite Companies, McPherson Branch,		3,500.00				
" " Mahoney Frog Foot Guard Co.,	150	15,000.00				
" " St. Louis Light Artillery Armory Ass'n,	20	1,000.00				
" " Baring Cross Bridge Co.,	1,500	150,000.00				
" " Louisiana Purchase Exposition Co.,	8,530	85,300.00				
" " Southern Illinois & Missouri Bridge Co.,	100	10,000.00				
" " Fort Scott Convention Hall,	40					
" " Sugar City Townsite Co.,	500	5,000.00				
" " Pueblo Stock Yards Co.,	1,250	125,000.00				
" " Hotel Realty Co., St. Louis, Mo.,	50	5,000.00				
" " Missouri and Illinois Bridge & Belt R. R.,	170	17,000.00				
" " Taylor City Belt Railway,	300	30,000.00				
" " St. Joseph & Central Branch Ry. Co.,	267	26,700.00				
" " Kanopolis & Kansas Central Railway,	2,650	265,000.00				
" " The Kansas City Northwestern R. R. Co.,	40,160	4,016,000.00				
" " National Sugar Mfg. Co., Prfd.	100	10,000.00				

" " "	National Sugar Mfg. Co., ...	Com.	385	38,500.00				
" " "	Edgewater Connecting Line, ...		1,000	100,000.00				
" " "	Edgewater Terminal R. R., ...		800	80,000.00				
" " "	Pacific R. R. of Missouri, ...		1,278	127,800.00				
" " "	Missouri Pacific Elevator Co., ...		2,500	250,000.00				
" " "	Exposition & Music Hall Ass'n., St. Louis,		200	5,000.00				
First Mortgage Bonds,	Kanopolis & Kansas Central Railway, .		225	225,000.00				
" " "	Leavenworth Union Depot & R. R. Co., .		25	25,000.00				
" " "	Pacific R. R. (of Mo.) Carondelet Branch,		15	7,500.00				
" " "	Pacific R. R. of Missouri, ...		4	4,000.00				
" " "	The Kansas City N. W. R.R. Co., Series "A,"		4	2,000.00				
" " "	The Kansas City N. W. R.R. Co., Series "B,"		2,983	2,983,000.00				
" " "	Southern Illinois and Missouri Bridge Co.,		260	260,000.00				
" " "	Concordia Coal Co., ...		600	600,000.00				
" " "	National Sugar Mfg. Co., ...		57	28,500.00				
Second Mortg. Bonds,	National Sugar Mfg. Co., ...		57	28,500.00				
" " "	Ft. Scott, Wichita & Western Railway,		1	1,000,000.00				
" " "	Atchison Union Depot Co., ...		9	4,500.00				
Trust 5% Bonds, . .	The Missouri Pacific Ry. Co., ...		1	1,000.00				
Fractional Scrip, .	The Kansas City N. W. R.R. Co., Series "A,"			217.28				
" "	The Kansas City N. W. R.R. Co., Series "B,"			500.00				
" "	The Missouri Pacific Ry. Co. Capital Stock,			15.00				
" "	St. Louis, Iron Mtn. & So. Ry. " "			53.59				
	Southwest Lead & Zinc Works, Rich Hill,			50,000.00				
Certificates, . . .	Mo. Pacific Equipment Ass'n, Series "A,"		5	5,000.00				
	Gold Coupon, Nat'l Sugar Mfg. Co., . .		114	3.420.00				
						87,874,345.87	37,761,114.87	
11. Securities Controlling Union Depots and Terminals:					Total,	$160,634,345.87		$ 92,851,930.29
(A.) UNION DEPOTS:	Capital Stock, St. Joseph Union Depot Co., ...		10	$ 1,000.00				
" "	Kansas City " "		450	45,000.00				
" "	Atchison " "		9	9,000.00				
" "	Leavenworth " "		500	50,000.00				
" "	Pueblo " "		81⅛	8,120.00				
					$ 113,120.00			
(B.) TERMINALS AND BRIDGES:								
	Capital Stock, Terminal R. R. Association of St. Louis.		2,058		205,800.00	318,920.00		38,862.99
					Total,	$160,953,265.87		$ 92,890,793.28

INVESTMENTS IN STOCKS, BONDS AND OTHER PROPERTIES.

ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY COMPANY,

June 30th, 1906.

DESCRIPTION.	No. of Shares or Bonds	PAR VALUE. Amount.	PAR VALUE. Total.	PAR VALUE. Total.	COST TO COMPANY. Amount.	COST TO COMPANY. Total.
I. Securities Owned:						
DEPOSITED AS SECURITY FOR ISSUE OF UNIFYING AND REFUNDING BONDS:						
Cash balance in hands of Trustee June 30th, 1906,		$ 1,869.00				
Capital Stock, Kansas & Arkansas Valley Railway Co.,	17,054	1,705,400.00				
" " Little Rock & Ft. Smith Railway Co.,	44,814	4,481,400.00				
" " Little Rock Junction Railway Co.,	3,562	356,200.00				
" " Arkansas & Louisiana Railway Co.,	5,114	511,400.00				
" " American Refrigerator Transit Co.,	2,851	285,100.00				
" " Arkansas Southwestern Railway Co.,	3,951	395,100.00				
" " El Dorado & Bastrop Railway Co.,	3,141	314,100.00				
" " New Orleans & Northwestern R. R. Co.,	14,991	1,499,100.00				
" " Mississippi River, Hamburg & Western Ry. Co.,	3,993	399,300.00				
1st Mtge. Bonds, Mississippi River, Hamburg & Western Ry. Co.,	400	400,000.00				
" " Arkansas Southwestern Ry. Co.,	396	396,000.00				
Genl. Consl'd Bonds, St. Louis, Iron Mountain & Southern Railway,	35	35,000.00				
1st Mtge. Bonds, Kansas & Arkansas Valley Railway Co.,	3,412	3,412,000.00				
1st Mtge. Bonds, Arkansas & Louisiana Railway Co.,	240	240,000.00				
Debenture "B" Bonds, Wabash Railroad, Six Per Cent.,	5,435	5,435,000.00				
2nd Mtge. Income Bonds, Texas & Pacific Railway Co.,	23,668	23,668,000.00				
1st Mtge. Bonds, Baring Cross Bridge,	200	200 000.00				
1st " " Little Rock & Ft. Smith Railway,		2,339,000.00	$46,073,969.00		$31,683,945.68	
DEPOSITED AS SECURITY FOR ISSUE OF GENERAL CONSOLIDATED RAILWAY AND LAND GRANT BONDS:						
Capital Stock, Arkansas Midland R. R.,	14,907	$ 1,490,700.00				
" " Brinkley, Helena & Indian Bay R. R.,	4,995	124,875.00				
" " Arkansas Central R. R.,	5,938	593,800.00	2,209,375.00		1,307,366.[illegible]	
DEPOSITED AS SECURITY FOR ISSUE OF RIVER AND GULF DIVISIONS FIRST MORTGAGE BONDS:						
Capital Stock, Herrin Ry. Co.,	95	$ 9,500.00				
Capital Stock Coal Belt Railway,	495	49,500.00				
" " Coal Belt Electric Railway,	2,995	299,500.00				
Bonds, Union Railway of Memphis,	571	571,000.00				
" " " "	1	148,000.00				
" Western Coal & Mining Co.,	1	1,000,000.00	2,077,500.00		2,567,999.15	

HELD IN COMPANY'S TREASURY:							
Capital Stock,	Little Rock & Ft. Smith Railway Co.,	112	$ 11,200.00				
" "	Little Rock Junction Railway Co.,	418	41,800.00				
" "	Little Rock, Mississippi River & Texas Railway Co.,	15,762	1,576,200.00				
" "	Camden & Alexandria Railway Co.,	3,248	324,800.00				
" "	The Missouri Pacific Railway Co.,	15	1,500.00				
" "	Arkansas & Louisiana Railway Co.,	5	500.00				
" "	Texas & Pacific Railway Co.,	300	30,000.00				
" "	Exposition & Music Hall Association, St. Louis,	200	5,000.00				
" "	Woodson Transportation Co.,	1,040	26,000.00				
" "	American Refrigerator Transit Co.,	2	200.00				
" "	Little Rock & Hot Springs Western R. R. Co.,	11,400	1,140,000.00				
" "	Southern Illinois & Missouri Bridge Co.,	100	10,000.00				
" "	Mississippi River, Hamburg & Western Ry. Co.,	7	700.00				
" "	New Orleans & Northwestern R. R. Co.,	9	900.00				
" "	White River Railway Co.,	2,600	260,000.00				
" "	Louisiana & Northwestern R. R. Co.,	30	3,000.00				
" "	Wabash Railroad, Prfd.	65,000	6,500,000.00				
" "	St. Louis Light Artillery Armory Association,	20	1,000.00				
" "	Herrin Railway Co.,	5	500.00				
" "	Pine Bluff & Western Railroad Co.,	12,000	1,200,000.00				
" "	Arkansas Midland Railroad Co.,	93	9,300.00				
" "	Brinkley, Helena & Indian Bay Railroad Co.,	5	125.00				
" "	El Dorado & Bastrop Railway Co.,	11	1,100.00				
" "	Ft. Smith Suburban Railway Co.,	466	46,600.00				
" "	Farmerville & Southern Railroad Co.,	9	900.00				
" "	Gurdon & Ft. Smith Railway Co.,	600	60,000.00				
" "	Marion County Railway Co.,	9	900.00				
" "	Coal Belt Railway Co.,	5	500.00				
" "	Coal Belt Electric Railway Co.,	5	500.00				
" "	Missouri & Illinois Bridge & Belt R. R. Co.,	170	17,000.00				
" "	Gurdon & Ft. Smith Northern Railway Co.,	1,470	147,000.00				
" "	Little Rock & Monroe Railway Co.,	5,000	500,000.00				
" "	Batesville & Jackson Port Railway,	440	44,000.00				
" "	Arkansas Southwestern Railway,	9	900.00				
" "	Arkansas Central R. R.,	10	1,000.00				
" "	Kansas & Arkansas Valley Railway,	10	1,000.00				
" "	St. Louis, Watkins & Gulf Railway Co.,	49,235	984,700.00				
1st Mtge. Bonds,	" " " " "	999	499,500.00				
" "	" " " " "	990	475,200.00				
" "	Southern Illinois & Missouri Bridge Co.,	260	260,000.00				
" "	Arkansas & Louisiana Railway Co. (unissued),	144	144,000.00				
" "	St. L., I. M. & S. Ry., River & Gulf Division,	40	40,000.00				
" "	State of Arkansas,	584	584,000.00				
" "	Little Rock & Monroe Ry. Co.,	450	450,000.00				
" "	St. L., I. M. & S. Ry., Unifying and Refunding Mtge.,	89	89,000.00				
Scrip,	" " Gen. Cons. Ry. & Land Grant Mtge.,		987.06				
"	" " Unifying and Refunding Mtge.,	—	1,930.00				
"	" River and Gulf Divisions, 1st Mtge.,		962.29				
"	Texas & Pacific Ry., 2d Mtge Income,		250.00				
	Iron Mountain Car Trust Certificates,	3	3,000.00				
				15,497,654.35		8,291,580.93	
				Total,	65,858,498.35		
II. Securities Controlling Use of Joint Facilities:							
TERMINALS AND BRIDGES:							
Capital Stock,	Terminal Railroad Association of St. Louis,	2,058			205,800.60		
				Total,	866,064,298.35		843,850,892.63

STATEMENT No. 13.

Condition of The Missouri Pacific Equipment Association at June 30th, 1906.

Series.	Date.	Original Amount.	Amount Paid.	Amount Outstanding.	Date of Yearly Payments.	Equipment Covered by Equipment Association.
A	Aug. 27, 1902,	$2,032,975.00	$ 611,975.00	$1,421,000.00	Sept. 1st,	1500 Box, 500 Coal, 7 Baggage, 5 Combination and 2 Posta Cars, and 11 Passenger and 25 Freight Locomotives.
B 1	Jan. 17, 1903,	390,000.00	156,000.00	234,000.00	Mch. 1st,	27 Locomotives.
B 2	Mch. 17, 1903,	587,750.00	239,750.00	348,000.00	Mch. 1st,	500 Steel Gondola Cars.
C	Apl. 29, 1903,	2,825,447.25	851,447.25	1,974,000.00	June 1st,	25 Coaches, 10 Chair Cars, 5 Baggage Cars, 3 Combination Cars, 2,150 Box Cars, 500 Stock Cars. 24 Locomotives.
D	Dec. 15, 1903,	256,800.00	56,800.00	200,000.00	Dec. 1st,	300 Gondola Cars.
E	June 15, 1904,	300,750.00	60,750.00	240,000.00	Dec. 1st,	20 Locomotives.
F	Dec. 15, 1904,	489,688.84	57,688.84	432,000.00	Dec. 1st,	500 Gondola Cars. 2 Coaches, 1 Chair, 1 Dining, 1 Postal and 1 Combination Cars.
G	June 15, 1905,	431,250.00	44,250.00	387,000.00	June 1st,	25 Locomotives, 10 Postal Cars.
H	Aug. 15, 1905,	1,004,955.00	104,955.00	900,000.00	Mch. 1st,	500 Box Cars, 1000 Coal Cars.
		$8,319,616.09	$2,183,616.09	$6,136,000.00		

NOTE.—The amount outstanding is payable as follows:

Series A	—Seven annual payments on Sept. 1st of each year, 1906 to 1912, inclusive, $203,000 each; total,	$ 1,421,000.00
" B 1	—Six annual payments on Mch. 1st of each year, 1907 to 1912, inclusive, $ 39,000 each; total,	234,000.00
" B 2	—Six annual payments on Mch. 1st of each year, 1907 to 1912, inclusive, $ 58,000 each; total,	348,000.00
" C	—Seven annual payments on June 1st of each year, 1907 to 1913, inclusive, $282,000 each; total,	1,974,000.00
" D	—Eight annual payments on Dec. 1st of each year, 1906 to 1913, inclusive, $ 25,000 each; total,	200,000.00
" E	—Eight annual payments on Dec. 1st of each year, 1906 to 1913, inclusive, $ 30,000 each; total,	240,000.00
" F	—Nine annual payments on Dec. 1st of each year, 1906 to 1914, inclusive, $ 48,000 each; total,	432,000.00
" G	—Nine annual payments on June 1st of each year, 1907 to 1915, inclusive, $ 43,000 each; total,	387,000.00
" H	—Nine annual payments on Mch. 1st of each year, 1907 to 1915, inclusive, $100,000 each; total,	900,000.00
	Total amount outstanding June 30th, 1906,	$ 6,136,000.00

STATEMENT No. 14.

Condition of Iron Mountain Car Trust at June 30th, 1906.

Series.	Date.	Original Amount.	Amount Paid.	Amount Outstanding.	Date of Yearly Payments.	Equipment Covered by Car Trust.
A	July 6. 1880,	$ 690,000.00	$ 690,000.00			450 Box, 250 Stock, 200 Platform and 8 Passenger Cars, and 14 Locomotives.
B 1	Nov. 23. 1880,	148,000.00	148,000.00			200 Ore and 4 Passenger Cars, and 5 Locomotives.
B 2	June 14. 1881,	552,000.00	552,000.00			492 Box and 100 Refrigerator Cars, and 11 Locomotives.
C	Aug. 23. 1881,	211,260.00	211,260.00			308 Box and 6 Baggage Cars.
D	June 4. 1889,	837,500.00	837,500.00			1500 Box Cars and 25 Locomotives.
E 1	Nov. 21. 1889,	109,800.00	109,800.00			200 Furniture Cars.
E 2	Jan. 23. 1890,	170,000.00	170,000.00			200 Refrigerator Cars.
F	Dec. 2. 1891,	122,800.00	122,800.00			200 Furniture Cars.
G	Mch. 1. 1892,	1,407,100.00	1,407,100.00			1000 Box, 500 Coal and 500 Stock Cars, and 30 Locomotives.
H 1	Sept. 1. 1892,	264,000.00	264,000.00			500 Box Cars.
H 2	Oct. 30. 1895,	83,250.00	83,250.00			10 Locomotives.
K 1	Dec. 26. 1900,	1,256,262.05	881,262.05	$ 375,000.00	June 1st,	5 Cabooses, 2 Steam Shovels, 2 Lidgerwood Unloaders, 500 Flat, 250 Furn. and 500 Coal Cars, and 36 Locomotives.
K 2	Feb. 1. 1901,	700,880.00	490,880.00	210,000.00	June 1st,	1000 Box Cars.
L 1	Dec. 20. 1901,	1,192,400.00	595,400.00	597,000.00	Dec. 1st,	380 Furniture, 250 Ballast Cars and 52 Locomotives.
L 2	Apr. 23. 1902,	442,175.00	222,175.00	220,000.00	Dec. 1st,	500 Stock and 150 Ballast Cars.
M 1	Aug. 6. 1902,	148,200.00	59,200.00	89,000.00	Sept. 1st,	8 Baggage, 5 Comb. and 3 Postal Cars and 5 Locomotives.
M 2	Jan. 14. 1903,	657,950.00	262,950.00	395 000.00	Sept. 1st,	43 Locomotives.
N	Apl. 28. 1903,	3,075,136.35	921,136.35	2,154,000.00	Sept. 1st,	25 Coaches, 25 Chair Cars, 5 Baggage Cars, 2 Combination Baggage and Mail Cars, 2350 Box Cars, 42 Locomotives.
O	Dec. 15. 1903,	268,984.00	79.984.00	189,000.00	Dec. 1st,	200 Gondola Cars, 5 Dining Cars.
P	June 15. 1904,	215,250.00	64,250.00	151,000.00	June 1st,	15 Locomotives.
R	June 15. 1905,	615,264.00	127,264.00	488,000.00	June 1st,	25 Locomotives, 300 Rodgers' Ballast Cars, 3 Double Plow Distributing Cars.
S	Aug. 15. 1905,	2,382,445.00	480,445.00	1,902,000.00	Mch. 1st,	1500 Box Cars, 2000 Coal Cars.
		$15,550,656.40	$8,780,656.40	$6,770,000.00		

NOTE.—Series A to H2 inclusive are paid up and cancelled. The amounts outstanding on the remaining Series are payable as follows:

Series K 1	—Three annual payments on June 1st of each year, 1907 to 1909 inclusive, $125,000 each; total,		$ 375,000.00
" K 2	—Three annual payments on June 1st of each year, 1907 to 1909 inclusive, $ 70,000 each; total,		210,000.00
" L 1	—Three annual payments on Dec. 1st of each year, 1906 to 1908 inclusive, $119,000 each; total,	$ 357,000.00	
" L 1	—Two annual payments on Dec. 1st of each year, 1909 to 1910 inclusive, $120,000 each; total,	240,000.00	597,000.00
" L 2	—Five annual payments on Dec. 1st of each year, 1906 to 1910 inclusive, $ 44,000 each; total,		220,000.00
" M	—Five annual payments on Sept. 1st of each year, 1906 to 1910 inclusive, $ 15,000 each; total,	75,000.00	
" M 1	—One annual payment on Sept. 1st, 1911,	14,000.00	89,000.00
" M 2	—Two annual payments on Sept. 1st of each year, 1906 to 1907 inclusive, $ 65,000 each; total,	130,000.00	
" M 2	—Three annual payments on Sept. 1st of each year, 1908 to 1910 inclusive, $ 66,000 each; total,	198,000.00	
" M 2	—One annual payment on Sept. 1st, 1911,	67.000.00	395,000.00
" N	—Two annual payments on Sept. 1st of each year, 1906 to 1907 inclusive, $307,000 each: total,	614,000.00	
" N	—Five annual payments on Sept. 1st of each year, 1908 to 1912 inclusive, $308,000 each; total,	1,540,000.00	2,154,000.00
" O	—Seven annual payments on Dec. 1st of each year, 1906 to 1912 inclusive, $ 27,000 each; total,		189,000.00
" P	—Three annual payments on June 1st of each year, 1907 to 1909 inclusive, $ 21,000 each: total,	63,000.00	
" P	—Four annual payments on June 1st of each year, 1910 to 1913 inclusive, $ 22,000 each; total,	88,000.00	151,000.00
" R	—Eight annual payments on June 1st of each year, 1907 to 1914 inclusive, $ 61,000 each; total,		488,000.00
" S	—Seven annual payments on Mch. 1st of each year, 1907 to 1913 inclusive, $238,000 each; total,	1,666,000.00	
" S	—One annual payment on Mch. 1st 1914,	236,000.00	1,902,000.00
	Total amount outstanding June 30th, 1906,		$6,770,000.00

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STATEMENT No. 15.

THE MISSOURI PACIFIC RAILWAY COMPANY, LEASED, OPERATED AND INDEPENDENT LINES.

Schedule of Bonded Indebtedness, June 30th, 1906.

MORTGAGES	Date of Mortgage.	Date of Bond.	Maturity of Bond.	Amount. Authorized.	Amount. Outstanding.	Rate of Interest.	Total Annual Interest.
THE MISSOURI PACIFIC RAILWAY:							
Pac. R.R. (of Mo.) 1st Mtge., ext. fr. Aug. 1. '88	July 15. 1868	Aug. 1. 1868	Aug. 1. 1938	$ 7,000,000.00	$ 7,000,000.00	4 % gold	$ 280,000.00
" " " 2nd " " July 1. '91	July 1. 1871	July 1. 1871	July 1. 1938	3,000,000.00	2,573,000.00	5 % "	128,650.00
Pac. R.R. (of Mo.) St. Louis City R. Est. Mtge extended from May 1, 1892.	April 19. 1872	May 1. 1872	May 1. 1938	800,000.00	800,000.00	5 % "	40,000.00
Pac. R.R. (of Mo.) Carondelet Bch., 1st Mtge.. extended from Oct. 1, 1893,	Oct. 1. 1873	Oct. 1. 1873	Oct. 1. 1938	500,000.00	245,000.00		
		Less held in	the Treasury,		7,500.00		
					237,500.00	4½ % "	10,687.50
Missouri Pacific Railway Co., 3rd Mtge.,	Nov. 1. 1876	Nov. 1. 1876	Nov. 1. 1906	4,500,000.00	3,828,000.00	7 % c'cy	267,960.00
The Mo. Pac. Ry. Co., Lexington Div.. 1st Mtge	Oct. 1. 1880	Oct. 1. 1880	Aug. 1. 1920	650 000.00	650,000.00	5 % gold	32,500.00
" " " Consolidated. 1st Mtge..	Nov. 1. 1880	Nov. 1. 1880	Nov. 1. 1920	30,000,000.00	14,904,000.00	6 % "	894,240.00
Trust Five Per Cent.. covering deposit with Trustee of the subsidiary Bonds described below. (See Exhibit A, page 44.)	Jan. 1. 1887	Jan. 1. 1887	Jan. 1. 1917	15,000,000.00	14,376,000.00	5 % "	718,800.00
First Collateral Mortgage, covering deposit with Trustee of the subsidiary Bonds described below. (See Exhibit B, page 44.)	July 15. 1890	Aug. 1. 1890	Aug. 1. 1920	10,000,000.00	9,636,000.00	5 % "	481,800.00
Forty-Year Gold Loan, covering deposit with Trustee of $25,000,000.00 of Capital Stock. St. L., I. M. & S. Ry., (See Exhibit D, page 44.)	Feb. 15. 1905	Mch. 1. 1905	Mch. 1. 1945	50,000,000.00	25,000,000.00	4 % "	1,000,000.00
Total,					$79,012,000.00		$ 3,854,637.50
THE MISSOURI PACIFIC RAILWAY: INTEREST DUE, PAID AS RENTALS—							
Verdigris Val., Ind. & West. R.R., 1st Mtge.,	Feb. 1. 1886	Feb. 1. 1886	Mch. 1. 1926	10 M per mile	$ 806.000.00	5 % gold	$ 40.300.00
Leroy & Caney Val. Air Line R.R., 1st Mtge.,	July 1. 1886	July 1. 1886	July 1. 1926	10 M per mile	520.000.00	5 % "	26,000.00
The Kan. City N. W. R. R., 1st Mtge. "A"	Jan. 1. 1894	Jan. 1. 1894	Jan. 1. 1933	$ 1,032,500.00	1,026,000.00	5 % "	51,300.00
Total,					$ 2,352.000.00		$ 117,600.00
INDEPENDENT BRANCH LINES NOT COVERED BY TRUST OR COLLATERAL BONDS:							
Ft. S., Wichita & West. Ry.. Income 2nd Mtge.,	Aug. 1. 1887	Aug. 1. 1887	Jan. 1. 1917	$ 1,000,000.00	$ 1,000,000.00	6 % gold	Interest accrues to Mo. Pac. Ry. Co.
Kanopolis & Kansas Central Ry., 1st Mtge.,	Oct. 1. 1887	July 1. 1887	July 1. 1937	15 M per mile	225,000.00	6 % "	
Total.					$ 1.225,000.00		
THE CENTRAL BRANCH RAILWAY:							
The Central Branch Union Pac. Ry., 1st Mtge.,	June 30. 1898	June 30. 1898	June 1. 1948	$ 2,500,000.00	$ 2,500,000.00	4 % gold	$ 100,000.00
The Central Branch Ry. 1st Mtge.,	Oct. 2. 1899	Oct. 2. 1899	Feb. 1. 1919	3,459,000.00	3,459,000.00	4 % "	138,360.00
Total,					$ 5,959,000.00		$ 238,360.00
ST. LOUIS, IRON MOUNTAIN & SOUTHERN RY.:							
St. L., I. M. & S. Ry. Co., General Consolidated Ry. and Land Grant. (See Exhibit E, page 45.),	Mch. 15. 1881	Mch. 15. 1881	April 1. 1931	$45,000,000.00	$43.578,000.00	5 % gold	$ 2,178,900.00
St. L., I. M. & S. Ry. Co., 1st pref. income,		Jan. 1. 1879	April 1. 1914	4,184,000.00	37,905.00	7 % "	2,653.35
Unifying and Refunding Mortgage, (See Exhibit F, page 45.)	July 1. 1899	July 1. 1899	July 1. 1929	40,000,000.00	30,469,000.00	4 % "	1,218,760.00
River and Gulf Divisions, 1st Mtge., (See Exhibit G, page 45.)	May 1. 1903	May 1. 1903	May 1. 1933	50,000,000.00	23,784,000.00	4 % "	951,360.00
Total,					$97.868,905.00		$ 4,351,673.35
ST. LOUIS, IRON MOUNTAIN & SOUTHERN RY.: INTEREST DUE, PAID AS RENTALS—							
Little Rock Jct. Ry., 1st Consolidated Mtge.,	April 1. 1891	April 1. 1891	April 1. 1916	$ 435,000.00	$ 435.000.00	6 % c'cy	$ 26,100.00

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STATEMENT No. 16.

Exhibits of Subsidiary Bonds and Stocks Deposited with Trustees, Covered by (A) the Trust Five Per Cent. Bonds, (B) First Collateral Mortgage Bonds, (C) the Two-Year Gold Notes of The Missouri Pacific Railway Co. and (D) Forty-Year Gold Loan as Stated in Preceding Schedule, Interest and Dividends on which Accrue to The Missouri Pacific Railway Co.

MORTGAGES.	Miles.	Date of Mortgage.	Date of Bond.	Maturity of Bond.	Amount. Authorized.	Amount. Outstanding.	Rate of Interest.	Total Annual Interest Accruing to The Mo. Pac. Ry.
A. COVERED AS STATED ABOVE:								
First Mortgage Bonds of—								
Denver, Memphis & Atlantic Ry.,	411.56	July 1. 1886	July 1. 1886	July 1. 1916	16 M per mile	$ 6,561,000.00	6 % gold	$ 393,660.00
Wichita & Colorado Ry.,	46.47	July 1. 1886	July 1. 1886	July 1. 1911	15 M "	705,000.00	6 % "	42,300.00
Kansas & Colorado R.R.,	136.02	Aug. 2. 1886	July 1. 1886	July 1. 1926	15 M "	2,041,000.00	6 % "	122,460.00
Ft. Scott, Wichita & Western Ry.,	309.25	Aug. 1. 1887	Aug. 1. 1887	Jan. 1. 1917	$ 4,666,000.00	4,666,000.00	7 % "	326,620.00
Salina, Sterling & El Paso R.R.,	40.10	Dec. 1. 1886	Dec. 1. 1886	Dec. 1. 1926	15 M per mile	600,000.00	6 % "	36,000.00
Kansas Southwestern Ry.,	24.91	Jan. 1. 1887	Jan. 1. 1887	Jan. 1. 1917	15 M "	372,000.00	6 % "	22,320.00
Pueblo & State Line R.R.,	152.12	Oct. 1. 1887	Oct. 1. 1887	Oct. 1. 1917	15 M "	2,270,000.00	5 % "	113,500.00
Total, ...	1,120.43					$17,215,000.00		$ 1,056,860.00
B. COVERED AS STATED ABOVE:								
First Mortgage Bonds of—								
Topeka, Salina & Western R.R.,	51.73	Jan. 1. 1883	Jan. 1. 1883	Jan. 1. 1923	$ 4,000,000.00	$ 1,273,000.00	6 % gold	$ 76,380.00
Rooks County R.R.,	18.25	Jan. 1. 1886	Jan. 1. 1886	Jan. 1. 1911	275,000.00	275,000.00	6 % c'cy	16,500.00
Kansas, Nebraska & Dakota Ry.,	131.00	April 1. 1886	April 1. 1886	April 1. 1916	2,400,000.00	2,055,000.00	6 % gold	123,300.00
The Mo. Pacific Railway in Kansas,	19.42	July 1. 1886	July 1. 1886	July 1. 1911	300,000.00	300,000.00	6 % c'cy	18,000.00
Council Gr., Osage City & Ottawa Ry.,	69.53	Aug. 16. 1886	Aug. 16. 1886	July 1. 1911	1,110,000.00	1,110,000.00	6 % "	66,600.00
Kan. City & Southwestern Ry. of Mo.,	20.70	Sept. 1. 1886	Sept. 1. 1886	Sept. 1. 1926	20 M per mile	407,000.00	6 % gold	24,420.00
Kan. City & Southwestern Ry.,	27.00	Sept. 1. 1886	Sept. 1. 1886	Sept. 1. 1926	20 M "	550,000.00	6 % "	33,000.00
Grouse Creek Railway,	25.07	July 1. 1887	July 1. 1887	July 1. 1927	390,000.00	376,000.00	6 % "	22,560.00
Council Gr., Smoky Valley & W. Ry.,	27.30	July 18. 1887	July 18. 1887	July 1. 1917	15 M per mile	417,000.00	6 % c'cy	25,020.00
St. Louis Oak Hill & Carondelet Ry.	6.30	Sept. 1. 1887	Sept. 1. 1887	Sept. 1. 1917	400,000.00	400,000.00	6 % gold	24,000.00
Pacific Railway in Nebraska,	73.00	Sept. 20. 1887	Sept. 20. 1887	Sept. 20. 1907	15 M per mile	1,095,000.00	5 % c'cy	54,750.00
Iron Mountain R.R. of Memphis,	1.07	Nov. 10. 1888	Nov. 10. 1888	Nov. 1. 1908	500,000.00	500,000.00	6 % gold	30,000.00
Inter-State Railway,	101.43	July 10. 1890	July 10. 1890	July 1. 1920	16 M per mile	1,622,000.00	6 % "	97,320.00
Ft. Scott Central Railway:								
Ft. Scott & Eastern Ry.,	26.27	Feb. 2. 1891	Feb. 2. 1891	Feb. 1. 1920	15 M per mile	394,000.00	5 % gold	19,700.00
Ft. Scott Belt Terminal Ry.,	3.91	Feb. 2. 1891	Feb. 2. 1891	Feb. 1. 1920	50 M "	195,000.00	5 % "	9,750.00
Ft. Scott & Southern Ry.,	26.87	Feb. 2. 1891	Feb. 2. 1891	Feb. 1. 1920	15 M "	383,000.00	5 % "	19,150.00
Nebraska Southern Ry.,	16.12	Jan. 1. 1892	Jan. 1. 1892	Jan. 1. 1922	15 M "	242,000.00	5 % "	12,100.00
Omaha Southern Ry.,	25.44	Jan. 1. 1892	Jan. 1. 1892	Jan. 1. 1922	15 M "	382,000.00	5 % "	19,100.00
Joplin & Western Ry.,	4.59	June 1. 1892	June 1. 1892	June 1. 1922	15 M "	69,000.00	5 % "	3,450.00
Total, ...	675.00					$12,045,000.00		$ 695,100.00

CAPITAL STOCK.	No. of Shares or Bonds.	Par Value.
C. COVERED AS STATED ABOVE:		
Capital Stock of Wabash R. R. (Preferred), ...	20,000	$ 2,000,000.00
" Denver & Rio Grande R. R. (Preferred), ...	40,000	4,000,000.00
" " " " (Common), ...	100,000	10,000,000.00
" St. Louis, Iron Mountain & Southern Ry., ...	25,000	2,500,000.00
		$ 18,500,000.00
D. COVERED AS STATED ABOVE:		
Capital Stock of St. Louis, Iron Mountain & Southern Ry., ...	250,000	$ 25,000,000.00

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STATEMENT No. 17.

Exhibit of Investments in Capital Stock owned by the St. Louis, Iron Mountain & Southern Railway Co. and Deposited with Trustee, covered by General Consolidated Railway and Land Grant Mortgage of the St. Louis, Iron Mountain & Southern Railway Co., as stated in Schedule of Bonded Indebtedness preceding, Dividends on which accrue to the St. Louis, Iron Mountain & Southern Railway Co.

CAPITAL STOCK.	Date of Bond.	Maturity of Bond.	No. of Shares or Bonds.	Par Value.
E. COVERED AS ABOVE:				
Capital Stock, Arkansas Midland R. R. Co.,			14,907	$ 1,490,700.00
" Brinkley, Helena & Indian Bay R. R. Co.,			4,995	124,875.00
" Arkansas Central R. R. Co.,			5,938	593,800.00
				$ 2,209,375.00

STATEMENT No. 18.

Exhibit of Investments in Capital Stock and Bonds owned by the St. Louis, Iron Mountain & Southern Railway Co., and Deposited with Trustee, covered by Unifying and Refunding Mortgage of the St. Louis, Iron Mountain & Southern Ry., as stated in Schedule of Bonded Indebtedness preceding, Dividends and Interest on which accrue to the St. Louis, Iron Mountain & Southern Ry. Co.

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CAPITAL STOCK AND BONDS.	Date of Bond.	Maturity of Bond.	No. of Shares or Bonds.	Par Value.
F. COVERED AS ABOVE:				
Cash Balance in hands of Trustee June 30th, 1906,				$ 1,869.00
Capital Stock, Kansas & Arkansas Valley Ry. Co.,			17,054	1,705,400.00
" Little Rock & Fort Smith Ry. Co.,			44,814	4,481,400.00
" Little Rock Junction Ry. Co.,			3,562	356,200.00
" Arkansas & Louisiana Ry. Co.,			5,114	511,400.00
" American Refrigerator Transit Co.,			2,851	285,100.00
" Mississippi River, Hamburg & Western Ry. Co.,			3,993	399,300.00
" El Dorado & Bastrop Ry. Co.,			3,141	314,100.00
" New Orleans & Northwestern R. R. Co.,			14,991	1,499,100.00
" Arkansas Southwestern Ry. Co.,			3,951	395,100.00
Bonds, 1st Mtge., Mississippi River, Hamburg & Western Ry. Co.,	Nov 1, 1897	Nov. 1, 1917	400	400,000.00
Bonds, General Consolidated, St. L., I. M. & So. Ry.,	Mch. 15, 1881	April 1, 1931	35	35,000.00
Bonds, 1st Mtge., Kansas & Arkansas Valley Ry. Co.,	July 1, 1887	July 1, 1937	3,412	3,412,000.00
Bonds, 1st Mtge., Arkansas and Louisiana Ry. Co.,	July 1, 1883	July 1, 1913	240	240,000.00
Bonds, Six Per Cent. Debenture "B," Wabash R. R.,	July, 1889	July, 1939	5,435	5,435,000.00
Bonds, 2nd Mtge., Texas and Pacific Ry. Co.,	Feb. 1, 1888	Dec. 1, 2000	23,668	23,668,000.00
Bonds, 1st Mtge., Arkansas Southwestern Ry.,	Nov. 1, 1900	Nov. 1, 1930	396	396,000.00
Bonds, 1st Mtge., Baring Cross Bridge,	April 19, 1873	April 19, 1898	200	200,000.00
Bonds, 1st Mtge., Little Rock & Ft. Smith Ry.,				2,339,000.00
				$ 46,073,969.00

STATEMENT No. 19.

Exhibit of Investments in Bonds owned by the St. Louis, Iron Mountain & Southern Railway Co. and Deposited with Trustee, covered by River and Gulf Divisions First Mortgage of the St. Louis, Iron Mountain & Southern Ry., as stated in Schedule of Bonded Indebtedness preceding, Interest on which accrues to the St. Louis, Iron Mountain & Southern Ry. Co.

CAPITAL STOCK AND BONDS.	Date of Bond.	Maturity of Bond.	No. of Shares or Bonds.	Par Value.
G. COVERED AS ABOVE:				
Capital Stock, Herrin Ry. Co.,			95	$ 9,500.00
Capital Stock, Coal Belt Ry.,			495	49,500.00
Capital Stock, Coal Belt Electric Ry.,			2,995	299,500.00
Bonds, 1st Mtge., Union Railway Co. of Memphis,	Aug. 1, 1902	Aug. 1, 1927	571	571,000.00
Bond, 1st Mtge., Union Railway Co. of Memphis,	Aug. 1, 1902	Aug. 1, 1927	1	148,000.00
Bond, 1st Mtge., Western Coal & Mining Co.,	May 1, 1903	May 1, 1933	1	1,000,000.00
				$ 2,077,500.00

STATEMENT No. 20.

System Earnings, by Months, for the Year ended June 30th, 1906.

	Freight.	Passenger.	Mail.	Express.	Rent.	Miscellaneous.	Total.
July, ... 1905	$ 2,575,617.26	$ 810,554.38	$ 116,085.27	$ 75,303.48	$ 9,871.55	$ 74,659.35	$ 3,662,091.29
August, ... "	2,801,661.54	722,402.91	116,121.46	74,247.40	4,515.88	90,081.91	3,809,031.10
September, ... "	2,651,924.95	766,982.27	112,375.56	67,827.22	4,263.73	76,153.72	3,679,527.45
October, ... "	2,824,673.93	755,678.69	115,717.35	75,758.60	21,968.93	82,435.98	3,876,233.48
November, ... "	2,870,341.05	666,810.20	111,991.39	83,529.12	10,325.37	62,472.15	3,805,469.28
December, ... "	2,749,494.10	829,210.01	116,048.68	84,869.77	5,134.33	70,773.37	3,855,530.26
January, ... 1906	2,716,011.43	686,273.02	118,685.56	96,507.65	14,709.45	63,564.80	3,695,751.91
February, ... "	2,594,318.31	616,755.46	106,829.72	75,562.59	3,792.79	62,499.00	3,459,757.87
March, ... "	2,760,572.33	724,262.89	118,685.56	69,576.18	6,005.94	71,117.87	3,750,220.77
April, ... "	2,648,202.11	629,468.03	113,776.20	81,662.58	15,491.25	52,641.50	3,541,241.67
May, ... "	2,804,171.17	759,555.44	117,473.88	85,542.14	4,903.67	55,417.49	3,827,063.79
June, ... "	2,566,518.59	785,187.65	113,454.46	75,018.76	5,551.45	59,171.44	3,604,902.35
Total, ...	$32,563,506.77	$ 8,753,140.95	$ 1,377,245.09	$ 945,405.49	$ 106,534.34	$ 820,988.58	$44,566,821.22

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STATEMENT No. 21.

System Operating Expenses, by Months, for the Year ended June 30th, 1906.

	Maintenance of Way and Structures.	Maintenance of Equipment.	Conducting Transp. Traffic.	Conducting Transp. Operation.	General Expenses.	Total.
July, ... 1905	$ 447,270.97	$ 576,791.68	$ 83,748.62	$ 1,189,151.54	$ 139,840.38	$ 2,436,803.19
August, ... "	459,220.95	501,581.02	82,596.12	1,289,707.05	155,960.69	2,489,065.83
September, ... "	524,917.46	557,042.69	87,439.61	1,279,422.52	147,022.49	2,555,844.77
October, ... "	502,746.74	293,284.55	102,304.03	1,285,709.43	148,313.76	2,332,358.51
November, ... "	599,057.67	358,070.75	82,478.87	1,372,696.97	166,058.29	2,578,362.55
December, ... "	486,009.91	263,668.56	92,576.34	1,424,881.49	161,477.76	2,428,614.06
January, ... 1906	454,990.75	628,133.11	102,971.23	1,402,023.14	200,042.40	2,788,160.63
February, ... "	421,651.34	538,253.66	83,719.19	1,364,555.66	170,156.34	2,578,336.19
March, ... "	353,769.62	555,769.26	96,487.63	1,449,477.93	174,833.31	2,630,337.75
April, ... "	358,490.21	448,586.05	91,868.67	1,353,958.72	174,684.78	2,427,588.43
May, ... "	392,108.59	505,293.76	81,862.83	1,315,537.57	170,502.21	2,465,304.96
June, ... "	377,891.16	555,057.08	83,101.44	1,343,707.11	171,871.77	2,531,628.56
Total, ...	$ 5,378,125.37	$ 5,781,532.17	$ 1,071,154.58	$16,070,829.13	$ 1,980,764.18	$30,282,405.43

STATEMENT No. 22.

System Operating Expenses, in Detail, for the Year ended June 30th, 1906.

MAINTENANCE OF WAY AND STRUCTURES.

Track Maintenance,	$ 1,505,708.81
Applying Track Material,	441,104.54
Roadway Policing,	460,821.84
Flood Damages,	204,253.27
General Cleaning,	183,645.15
Ballast,	32,788 49
Rails,	397,307.59
Ties,	587,193.12
Track Appliances,	242,242.32
Roadway Tools,	65,349.85
Other Roadway Maintenance,	54,856.77
Bridges and Culverts,	381,479.68
Buildings and Grounds,	342,796.02
Docks and Wharves,	7,688.20
Interlocking Plants and Signals,	51,742.74
Fences, Road Crossings and Signs,	65,260.41
Telegraph and Telephone Lines,	46,698.58
Engineering and Superintendence,	319,152.79
Stationery and Printing,	17,501.42
Incidentals,	3,944.78
Maintenance of Joint Tracks, Yards and Terminals,	Cr. 33,411.00
Total,	$ 5,378,125.37

MAINTENANCE OF EQUIPMENT.

Locomotives—Repairs of,	$ 2,720,614.98
Passenger Cars—Repairs of,	436,559 06
Freight Cars—Repairs of,	2,014,595.47
Work Cars—Repairs of,	89,229.47
Floating Equipment—Repairs of,	6,803.27
Superintendence,	219,566.91
Tools and Machinery—Repairs of,	206,288.67
Shops—Heating and Lighting,	31,573.11
Watchmen,	15,657.48
Stationery and Printing,	15,581.81
Incidentals,	23,494.06
Equipment Used in Joint Yards and Terminals—Repairs of,	1,567.88
Total,	$ 5,781,532.17

CONDUCTING TRANSPORTATION—TRAFFIC.

Superintendence—Passenger,	$ 88,265.99
Foreign Agencies—Passenger,	178,011.78
Advertising—Passenger,	156,935.80
Stationery and Printing—Passenger,	41,300.25
Superintendence—Freight,	135,431.52
Foreign Agencies—Freight,	395,739.68
Advertising—Freight,	749.48
Stationery and Printing—Freight,	74,720.08
Total,	$ 1,071,154.58

CONDUCTING TRANSPORTATION—OPERATION.

Station Service—Passenger,	$ 71,284.24
Station Service—Freight,	797,102.24
Station Service—Combined,	589,753.83
Station Supplies,	78,059.16
Stock Yards and Elevators—Operation of,	5,790.28
Yard Supervision,	238,265.58
Yardmen,	816,408.32
Yard Enginemen and Firemen,	452,124.41
Yard Locomotives—Fuel for,	545,320.01
Road Enginemen and Firemen—Passenger,	668,916.90
Trainmen—Passenger,	509,281.74
Road Locomotives—Fuel for—Passenger,	1,018,151.68
Passenger Cars—Care of,	293,454.39
Other Train Supplies—Passenger,	14,865.50
Road Enginemen and Firemen—Freight,	1,370,105.57
Trainmen—Freight,	1,756,885.71
Road Locomotives—Fuel for—Freight,	1,770,307.33
Freight Cars—Lubrication of,	62,936.61
Other Train Supplies—Freight,	65,048.23
Enginehousemen,	727,346.26
Fuel Stations—Operation of,	345,994.95
Locomotives—Water Supply for,	204,086.77
Locomotives—Stores for,	145,120.75
Locomotives—Other Supplies for,	92,946.45
Signalmen,	86,434.94
Highway Crossing Watchmen,	60,693.99
Policemen,	45,452.19
Signal Supplies,	6,257.21
Highway Crossing Supplies,	1,556.31
Wrecks—Clearing,	124,438.04
Injuries to Persons,	527,520.00
Loss and Damage,	684,480.00
Car Service,	331,570.69
Hire of Equipment,	91,529.54
Rents of Buildings and Other Property,	58,428.31
Superintendence—Transportation,	400,549.57
Floating Equipment—Operation of,	72,110.03
Elevation and Longshore Labor,	3,740.55
Dining Cars,	28,193.67
Stationery and Printing—Transportation,	117,140.49
Incidentals,	25,149.64
Operation of Joint Tracks, Yards and Terminals,	113,479.46
Flood Damages,	40,458.57
Total,	$ 16,070,829.13

GENERAL EXPENSES.

General Officers,	$ 275,719.03
Clerks,	738,630.58
Attendants,	52,756.87
Heat and Light,	13,079.70
Office Expenses and Supplies,	267,455.62
Insurance,	187,101.73
Law Expenses,	211,002.64
Stationery and Printing,	106,021.13
Incidentals,	128,996.88
Total,	$ 1,980,764.18

NOTE.—Comparison with last year not available as accounts were kept differently.

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STATEMENT No. 23.

TRAFFIC STATISTICS

For the Year ended June 30th, 1906, Compared with the Previous Year.

	System.			
	1905-6.	1904-5.	Per Cent. of Inc.	Per Cent. of Dec.
PASSENGER:				
Number of Passenger Carried: All Classes,	7,876,244	6,641,776	18.6	
Number of Passengers Carried One Mile: All Classes,	397,478,879	453,946,487		12.4
Number of Passengers per Mile of Road, (average),	1,255.00	1,070.46	17.2	
Number of Passengers per Train Mile, (average),	36.5	41.1		11.2
Average Distance each Passenger Carried (Miles): All Classes,	50.47	68.35		26.2
Earnings from Passenger Business (excludes Mail and Exp.): All Classes,	$ 8,753,140.95	$ 8,783,053.91		0.3
Earnings per Mile of Road (includes Mail and Exp.),	$ 1,764.82	$ 1,784.87		1.1
Earnings per Passenger Train Mile (includes Mail and Exp.), (Passenger Train Mileage plus ¼ Mixed.)	$ 1.07.753	$ 1.05.154	2.5	
Earnings per Passenger (excludes Mail and Exp.): All Classes,	$ 1.11.133	$ 1.32.240		16.0
Earnings per Passenger per Mile (excludes Mail and Exp.): All Classes,	$ .02.202	$ .01.935	13.8	
FREIGHT:				
Number of Tons Carried: Revenue Freight,	17,685,750	15,743,340	12.3	
Company Freight,	3,460,104	3,134,739	10.4	
Total,	20,776,779	18,441,285	12.7	
Number of Tons Carried One Mile: Revenue Freight,	4,197,333,656	3,591,020,738	16.9	
Company Freight,	417,572,342	346,561,376	20.5	
Total,	4,614,905,998	3,937,582,114	17.2	
Number of tons per Mile of Road, (average): Revenue Freight,	2,818.05	2,537.36	11.1	
Company Freight,	551.33	505.23	9.1	
Total,	3,310.58	2,972.19	11.4	
Number of tons per Train Mile, (average): Revenue Freight,	295.9	275.3	7.5	
Company Freight,	29.4	26.5	10.8	
Total,	325.3	301.8	7.8	
Number of tons per Loaded Car Mile, (average): Revenue Freight,	17.4	16.8	3.4	
Company Freight,	1.7	1.6	6.6	
Total,	19.1	18.4	3.6	
Average Dist. One Ton Carried, (Miles): Revenue Freight,	237.33	228.10	4.0	
Company Freight,	120.68	110.56	9.2	
Total,	222.12	213.52	4.0	
Earnings from Revenue Freight (excludes Rent and Miscl.),	$ 32,563,506.77	$ 29,644,879.43	9.8	
Earnings per Mile of Road (includes Rent and Miscl.)	$ 5,336.47	$ 5,172.11	3.2	
Earnings per Freight Train Mile (excludes Rent and Miscl.), (Freight Train Mileage plus ¾ Mixed.)	$ 2.32.514	$ 2.27.300	2.6	(? as recast.)
Earnings per Ton (excludes Rent and Miscl.): Revenue Freight,	$ 1.84.123	$ 1.88.301		2.2

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STATEMENT No. 24.

TRANSPORTATION STATISTICS

For the Year ended June 30th, 1906, Compared with the Previous Year.

	System.			
	1905-6.	1904-5.	Per Cent. of Inc.	Per Cent. of Dec.
PASSENGER:				
No. of Miles run by Passenger Trains,	10,073,116	10,359,812		2.8
No. of Miles run by Mixed Trains,	818,643	687,273	19.1	
No. of Miles run by Trains—Total,	10,891,859	11,047,085		1.4
No. of Miles run by Cars,	51,358,976	54,717,248		6.1
FREIGHT:				
No. of Miles run by Freight Trains,	13,366,909	12,358,251	8.2	
No. of Miles run by Mixed Trains,	818,643	687,273	19.1	
No. of Miles run by Trains—Total,	14,185,552	13,045,524	8.7	
No. of Cars per Train mile (aver.)—Loaded,	17.0	16.4	4.0	
No. of Cars per Train mile (aver.)—Empty,	6.4	6.8		6.0
No. of Cars per Train mile (aver.)—Total,	23.4	23.2	1.0	
No. of Miles run by Cars—Loaded,	241,239,015	213,334,911	13.1	
No. of Miles run by Cars—Empty,	78,183,932	77,214,426	1.3	
No. of Miles run by Cars—Cabooses,	13,386,082	12,369,636	8.2	
No. of Miles run by Cars—Total,	332,809,029	302,918,973	9.9	
Per cent. of Loaded Car Mileage to total Car Mileage,	72.5	70.4	2.1	

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STATEMENT No. 25.

Inventory of Equipment on hand June 30th, 1906, compared with June 30th, 1905.

EQUIPMENT.	System.			
	1906.	1905.	Increase.	Decrease.
Locomotives:				
Passenger,	204	209		5
Freight,	555 *	557		2
Service,	199	201		2
Total,	958 *	967		9
Passenger Cars:				
Sleeping Cars,	55	56		1
Day Coaches,	445	439	6	
Baggage, Mail and Express Cars,	199	209		10
Total,	699	704		5
Freight Cars:				
Stock Cars,	1,468	2,083		615
Ore Cars,	39	35	4	
Granite Cars,	25	41		16
Flat Cars,	1,413	1,728		315
Coal Cars,	10,832	9,081	1,751	
Box Cars,	23,316	24,120		804
Refrigerator Cars,	598	652		54
Salt Cars,	10	30		20
Furniture Cars,	1,276	1,310		34
Cabooses,	393	411		18
Total,	39,370	39,491		121
Service Cars:				
Business and Pay Cars,	23	23		
Road and Water Cars,	3,690	2,642	1,048	
Cinder Cars,	138	154		16
Total,	3,851	2,819	1,032	
Total,	43,920	43,014	906	

* Includes 25 Locomotives, Series G. Missouri Pacific Equipment Association, and 25 Locomotives, Series R. Iron Mountain Car Trust, received in June, 1905, and later, thus practically not in service during 1904-05.

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STATEMENT No. 20.

LAND DEPARTMENT, ST. LOUIS, IRON MOUNTAIN & SOUTHERN RAILWAY. ALL DIVISIONS.

STATISTICS, YEAR ENDED JUNE 30th, 1906.

	St. Louis, Iron Mountain and Southern Railway.		Little Rock & Fort Smith Railway.	Grand Total.
	Missouri Div.	Arkansas Div.		
Number of Acres originally granted, purchased, etc., to June 30th, 1905,	142,355.170	1,361,430.540	1,059,846.010	2,563,631.720
Number of Acres acquired under readjustment of Land Grant, consummated by Patent during year ending June 30th, 1906,		301.370		301.370
Total Number of Acres originally granted, purchased, etc.,	142,355.170	1,361,731.910	1,059,846.010	2,563,933.090
Number of Acres unsold, June 30th, 1905,	4,024.966	245,073.895	386,512.150	635,611.017
Number of Acres acquired under readjustment of Land Grant, consummated by Patent during year ending June 30th, 1906,		301.370		301.370
	4,024.966	245,375.265	386,512.150	635,912.381
Number of Acres acquired by Forfeitures during year ending June 30th, 1906,		603.500	3,777.110	4,380.610
Total number of Acres for sale during year ending June 30th, 1906,	4,024.966	245,978.765	390,289.260	640,292.991
Number of Acres sold during year ending June 30th, 1906,	420.480	24,168.176	17,681.110	42,269.766
Number of Acres unsold during year ending June 30th, 1906,	3,604.486	221,810.589	372,608.150	598,023.225
Average price per Acre during year ending June 30th, 1906,	$ 2.65+	$ 4.28+	$ 4.28+	$ 4.26+
Total amount of sales during year ending June 30th, 1906,	$ 1,115.77	$ 103,509.00	$ 75,704.03	$ 180,328.80
Cash received during year ending June 30th, 1906,	$ 1,906.06	$ 143,734.70	$ 89,971.87	$ 235,612.63
Notes received during year ending June 30th, 1906,		24,856.35	45,633.34	70,489.69
Total Receipts during year ending June 30th, 1906,	$ 1,906.06	$ 168,591.05	$ 135,605.21	$ 306,102.32
Expenses and Taxes during year ending June 30th, 1906,	$ 2,123.78	$ 39,301.14	$ 38,121.57	$ 79,546.49
Gross Receipts of Department since commencement,	$ 452,149.31	$ 4,275,757.40	$ 3,156,671.75	$ 7,884,578.46
Gross Expenses and Taxes of Department since commencement,	159,497.45	1,959,577.04	1,439,306.34	3,558,380.83
Net Receipts of Department since commencement,	$ 292,651.86	$ 2,316,180.36	$ 1,717,365.41	$ 4,326,197.63
Notes Receivable, outstanding June 30th, 1906,	$ 896.57	$ 286,246.08	$ 213,013.45	$ 499,156.10
Taxes due from Purchasers, outstanding June 30th, 1906,	$ 56.73	$ 585.40	$ 2,179.90	$ 2,822.03

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MAPS
TOO
LARGE
FOR
FILMING

2511

THE MISSOURI PACIFIC RAILWAY COMPANY.

LEASED, OPERATED AND INDEPENDENT LINES.

KANSAS CITY TERMINAL DIVISION

Leeds and Ramap[illegible]s [illegible] Southwest Junction.

TIME TABL[illegible] No. 7

TAKING EFFECT AT 12:01 A. M. [illegible]DAY, NOVEMBER 11, 1906.

Superseding Time Ta[illegible] Dated August 12, 1906.

FOR THE INFORMATION [illegible]RNMENT OF EMPLOYES ONLY.

THE COMPANY RESERVES THE RIGHT [illegible]REFROM AS CIRCUMSTANCES MAY REQUIRE.

CENTRAL STANDARD TIME.

C. S. CLARKE,	A. W. SULLIVAN,	J. W. HIGGINS,	E. A. GOULD,	C. E. CARSON,	T. E. BYRNES,
Vice-President,	General Manager,	Asst. Gen'l Manager,	General Superintendent,	Superintendent,	Superintendent of Transportation,
ST. LOUIS, MO.	ST. LOUIS, MO.	ST. LOUIS, MO.	KANSAS CITY, MO.	KANSAS CITY, MO.	ST. LOUIS, MO.

[illegible]-GARY PTG. CO.—5000.

KANSAS CITY TERMINAL DIVISION—LEEDS TO STATE LINE; CONGO TO K. C. S. W. JUNCTION.

TIME TABLE No. 7. Taking Effect 12:01 A. M. November 11, 1906.

PASSENGER TRAINS WESTBOUND — FIRST CLASS

STATIONS.	Distance from Leeds.	Passing Tracks.	Station Numbers.	Eastern Div. 1 Col. & St. Jos Special	Cent. Kansas Div. 2 St. Louis Special	Eastern Div. 3 Colorado Express	Santa Fe 3 Passenger	Eastern Div. 5 Kansas City Express	Eastern Div. 7 Fort Hall	Central Kans. Div. 8 St. Louis Express	Eastern Div. 9 St. Jos Limited	Eastern Div. 27 Kansas City Local	Eastern Div. 37 Kansas City Passenger	Cent. Kansas Div. 104 K. C. Hall and Express	Cent. Kansas Div. 106 Hot Springs Express	Cent. Kansas Div. 124 Local Passenger	Joplin Div. 213 Joplin & K. C. Express	Joplin Div. 215 Joplin & K. C. Local Mail	Joplin Div. 217 Joplin & Kan. City Mail	Eastern Div. 601 Sedalia Local	Eastern Div. 603 Sedalia Passenger
				Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily
LEEDS N		82	2602		Lv 8.22[AM]					Lv 5.20[PM]				Lv 6.40[AM]	Lv 3.00[PM]	Lv 6.33[PM]					
3.05																					
CENTROPOLIS D	3.05	70	2601		8.27					5.26				6.45	3.05	6.39					
0.87																					
SHEFFIELD	3.92	70	2600													6.41					
1.08																					
CONGO N							Lv 6.10[AM]						Lv 11.43[AM]								
0.76																					
ROCK CREEK JCT. N				Lv 4.51[PM]		Lv 6.47[AM]	6.13	Lv 9.30[PM]	Lv 9.10[AM]		Lv 4.52[PM]	Lv 10.12[AM]	11.45				Lv 8.12[AM]	Lv 4.24[PM]	Lv 1.16[AM]	Lv 7.23[PM]	Lv 9.16[AM]
1.39																					
K. C. S. W. JUNCTION N	5.00	Yard		4.55	a 8.32	6.50	6.16	9.33	9.13	a 5.32	4.55	10.16	11.48	a 6.52	a 3.11	a 6.46	8.15	4.29	1.20	7.26	9.21
0.91																					
EAST YARD				5.00	8.37	6.55	6.20	9.35	9.17	5.35	5.00	10.20	11.52	6.56	3.14	6.51	8.18	4.32	1.24	7.31	9.24
4.06																					
GRAND AVENUE	9.97	Yard	70	a 5.10	8.45	a 7.05	6.29	a 9.45	9.26	a 5.45	5.10	a 10.30	a 12.01[PM]	a 7.10	3.23	a 7.00	a 8.28	a 4.40	a 1.35	a 7.40	a 9.31
0.53																					
INCLINE				5.12	8.47	7.07	6.32	9.47	9.28	5.47	5.12	10.32	12.03	7.12	3.26	7.02	8.30	4.42	1.37	7.42	9.35
UNION DEPOT N	10.50			Ar 5.15[PM]	8.50	7.10	Ar 6.35[AM]	9.50	9.30	5.50	5.15	10.35	12.05	7.15	3.30	7.05	8.33	4.45	1.40	7.45	9.40
UNION DEPOT N					9.15	7.30		10.10	9.45	6.05	5.45	10.50	12.20	7.30	3.45	7.20	8.45	5.00	1.55	7.55	9.55
0.58																					
STATE LINE	11.08	Yard			Ar 9.20[AM]	Ar 7.55[AM]		Ar 10.15[PM]	Ar 9.50[AM]	Ar 6.10[PM]	Ar 5.47[AM]	Ar 10.55	Ar 12.25[PM]	Ar 7.35[AM]	Ar 3.50[PM]	Ar 7.25[PM]	Ar 8.50[AM]	Ar 5.05[PM]	Ar 2.00[AM]	Ar 8.00[PM]	Ar 10.00[AM]
11.08				Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily
				1	2	3	3	5	7	8	9	27	37	104	106	124	213	215	217	601	603
				.30	.58	1.08	.25	.45	.40	.50	.53	.45	.42	.35	.50	.52	.38	.41	.44	.37	.44

SPECIAL INSTRUCTIONS.

A 1. **ALL EAST BOUND TRAINS ARE SUPERIOR TO TRAINS OF THE SAME CLASS IN THE OPPOSITE DIRECTION.**
A 2. **EASTERN DIVISION TRAIN No. 7 HAS RIGHT OVER ALL TRAINS.**
A 3. **DIRECTION CHANGES ON CENTRAL KANSAS DIVISION TRAINS AT K. C. S. W. JUNCTION.**
A 4. **Train Registers**—Union Depot, K. C. S. W. Junction and East Yard.
A 5. **Standard Clocks**—Union Depot Telegraph Office.
A 6. **Bulletin Boards**—Hickory Street, Union Depot, K. C. S. W. Junction, East Yard, East Bottoms Round House and Cypress Round House.
A 7. **Water Stations**—East Bottoms Round House, State Line and Cypress Round House.
A 8. **Coal Stations**—East Bottoms Round House and Cypress Round House.
A 9. All trains moving through Kansas City Terminals must reduce speed and have train under control, and be prepared to stop in event of any obstruction on the track.
A 10. Agent at Grand Avenue, may flag train No. 1 for passengers holding paid transportation destined to Pueblo or beyond.
A 11. All Central Kansas Division trains will stop at K. C. S. W. Junction, and all west bound Central Kansas Division trains will get a Clearance Card before leaving.
All orders covering the movement of trains between Congo and Rock Creek Junction will be issued from Dispatcher's Office, Jefferson City.
All orders covering the movement of trains between Rock Creek Junction and K. C. S. W. Junction will be issued from Dispatcher's Office at Sedalia.
All orders covering the movement of trains between K. C. S. W. Junction and State Line will be issued from Superintendent's Office, Kansas City Terminal Division.
A 12. All orders covering the movement of trains between Leeds and K. C. S. W. Junction will be issued from Dispatcher's Office at Osawatomie.

Special attention is called to Rules No. D 2, D 6, D 7 and D 27.

TIME TABLE No. 7.
Taking Effect 12:01 A. M.
November 11, 1908.

PASSENGER TRAINS EASTBOUND

FIRST CLASS

STATIONS.		Distance from State Line.	Passing Tracks	Station Numbers	Cent. Kansas Div. 1 California Special Daily	Eastern Div. 2 St. Louis Special Daily	Cent. Kansas Div. 3 Colorado Passenger Daily	Eastern Div. 4 St. Louis Mail and Express Daily	Santa Fe 4 Passenger Daily	Eastern Div. 6 St. Louis Passenger Daily	Eastern Div. 8 St. Louis Express Daily	Santa Fe 8 Passenger Daily	Eastern Div. 10 St. Louis Limited Daily	Eastern Div. 28 Sedalia Local Daily	Eastern Div. 38 St. Louis Passenger Daily	Cent. Kansas Div. 103 Wich. & Little Rock Mail & Express Daily	Cent. Kansas Div. 105 Little Rock Express Daily	Cent. Kansas Div. 123 Local Passenger Daily	Joplin Div. 212 Joplin Express Daily	Joplin Div. 214 Kansas City-Joplin Local Mail Daily	Joplin Div. 216 Joplin Local Daily	Eastern Div. 602 Sedalia-St. Louis Passenger Daily	Eastern Div. 608 K. C.-Sedalia Passenger Daily
LEEDS	N	11.06	63	2602	Ar 7.08		Ar 10.30									Ar 11.00	Ar 11.30	Ar 9.00					
3.06																							
CENTROPOLIS	D	8.03	70	2601	6.54		10.24									10.55	11.22	a 8.54					
0.87																							
SHEFFIELD		7.16	70	2600														8.51					
1.08																							
CONGO	N	6.23							Ar 3.00			Ar 7.50			Ar 7.23								
0.76																							
ROCK CREEK JCT.	N	7.47				Ar 10.26		Ar 2.16	2.58	Ar 8.23	Ar 9.33	7.48	Ar 11.13	Ar 5.58	7.20				Ar 2.44	Ar 10.03	Ar 7.53	Ar 6.02	Ar 5.27
1.39																							
K. C. S. W. JCT.	N	6.08	Yard		a 6.48	10.25	a 10.10	2.15	2.55	8.18	9.30	7.45	11.10	5.55	7.17	a 10.48	a 11.17	a 8.48	2.41	10.00	7.50	5.57	5.22
0.91																							
EAST YARD	a				6.45	10.22	10.15	2.11	2.52	8.15	9.27	7.42	11.07	5.52	7.14	10.45	11.14	8.45	2.38	9.57	7.47	5.53	5.19
4.00																							
GRAND AVENUE		1.11	Yard	70	6.35	a 10.15	a 10.05	a 2.05	2.45	a 8.05	a 9.18	7.35	10.58	a 5.45	a 7.05	a 10.35	a 11.05	a 8.35	a 2.30	a 9.50	a 7.40	a 5.45	a 5.10
0.53																							
INCLINE					6.33	10.13	10.03	2.03	2.43	8.02	9.17	7.33	10.57	5.43	7.03	10.33	11.03	8.33	2.28	9.48	7.38	5.43	5.08
UNION DEPOT	N				6.30	Lv 10.10	10.00	2.00	Lv 2.40	8.00	9.15	Lv 7.30	10.55	5.40	7.00	10.30	11.00	8.30	2.25	9.45	7.35	5.40	5.05
UNION DEPOT	N	0.58			5.25		9.05	1.00		7.40	8.30		10.40	5.20	6.35	9.40	10.05	8.15	1.20	9.10	6.40	5.20	4.30
0.58																							
STATE LINE			Yard		Lv 5.10		Lv 9.00	Lv 12.55		Lv 7.35	Lv 8.25		Lv 10.35	Lv 5.05	Lv 6.30	Lv 9.35	Lv 10.00	Lv 8.10	Lv 1.15	Lv 9.00	Lv 6.35	Lv 5.15	Lv 4.25
11.06					Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily
					1	2	3	4	4	6	8	8	10	28	38	103	105	123	212	214	216	602	608
					1.53	.18	1.30	1.23	.30	.48	1.08	.30	.30	.33	.53	1.25	1.30	.50	1.29	1.33	1.18	.47	1.22

SPECIAL INSTRUCTIONS.

A 1. **ALL EAST BOUND TRAINS ARE SUPERIOR TO TRAINS OF THE SAME CLASS IN THE OPPOSITE DIRECTION.**
A 2. **EASTERN DIVISION TRAIN No. 7 HAS RIGHT OVER ALL TRAINS.**
A 3. **DIRECTION CHANGES ON CENTRAL KANSAS DIVISION TRAINS AT K. C. S. W. JUNCTION.**
A 4. **Train Registers**—Union Depot, K. C. S. W. Junction and East Yard.
A 5. **Standard Clocks**—Union Depot Telegraph Office.
A 6. **Bulletin Boards**—Hickory Street, Union Depot, K. C. S. W. Junction, East Yard, East Bottoms Round House and Cypress Round House.
A 7. **Water Stations**—East Bottoms Round House, State Line and Cypress Round House.
A 8. **Coal Stations**—East Bottoms Round House and Cypress Round House.
A 9. All trains moving through Kansas City Terminals must reduce speed and have train under control, and be prepared to stop in event of any obstruction on the track.
A 10. Agent at Grand Avenue, may flag train No. 1 for passengers holding paid transportation destined to Pueblo or beyond.
A 11. All Central Kansas Division trains will stop at K. C. & S. W. Junction and all West bound Central Kansas Division trains will get a Clearance Card before leaving.
All orders covering the movement of trains between Congo and Rock Creek Junction will be issued from Dispatcher's Office, Jefferson City.
All orders covering the movement of trains between Rock Creek Junction and K. C. S. W. Junction will be issued from Dispatcher's Office, Sedalia.
All orders covering the movement of trains between K. C. S. W. Junction and State Line will be issued from Superintendent's Office, Kansas City Terminal Division.
A 12. All orders covering the movement of trains between Leeds and K. C. S. W. Junction will be issued from Dispatcher's Office at Osawatomie.

Special attention is called to Rules No. D 2, D 6, D 7 and D 27.

KANSAS CITY TERMINAL DIVISION—LEEDS TO STATE LINE; CONGO TO K. C. S. W. JUNCTION.

TIME TABLE No. 7.
Taking Effect 12:01 A. M. November 11, 1906.

FREIGHT TRAINS WESTBOUND

STATIONS.	Distance from Leeds.	Passing Tracks.	Station Numbers.	SECOND CLASS												THIRD CLASS		
				Eastern Div. 51 Colo. Red Ball	Cent. Kansas Div. 54 K. C. St. L. Red Ball	Eastern Div. 55 Omaha Red Ball	Eastern Div. 61 K. C. Block	Cent. Kansas Div. 64 St. Louis Block & Red Ball	Eastern Div. 73 Kansas City and St. Joe Red Ball	Cent. Kansas Div. 92 Local Freight	Cent. Kansas Div. 156 New Orleans & Omaha Red Ball	Cent. Kansas Div. 160 St. Kansas Local Block	Cent. Kansas Div. 168 Indian Ter. & Wichita Ltd.	Joplin Div. 251 Joplin Stock	Joplin Div. 253 Memphis Red Ball	Eastern Div. 97 Local Freight	Joplin Div. 293 Local	Eastern Div. 695 Lexington Br. Local Freight
				Daily	Daily	Daily	Daily	Daily	Daily	Daily Ex. Sunday	Daily	Daily	Daily	Daily	Daily	Daily Ex. Sunday	Daily Ex. Sunday	Daily Ex. Sunday
LEEDS		68	2602		Lv 4.35AM			Lv 5.35AM		Lv 10.47AM	Lv 4.35PM	Lv 3.10PM	Lv 6.00AM					
3.05																		
CENTROPOLIS	3.05	70	2601		4.47			5.50		10.54	4.44	3.35	6.10					
0.87																		
SHEFFIELD	3.92	70	2600															
1.08																		
CONGO				Lv 10.25AM		Lv 10.40AM			Lv 7.05AM									Lv 5.00PM
0.76																		
ROCK CREEK JCT.				10.30		10.45	Lv 11.25PM		7.10					Lv 2.47AM	Lv 6.35AM	Lv 5.25PM	Lv 6.02PM	5.05
1.29																		
K. C. S. W. JUNCTION	5.00	Yard		10.45	5.00	11.00	11.30	6.00	7.15	11.10	4.55	3.35	6.20	2.55	6.40	5.30	6.20	5.15
0.91																		
EAST YARD				Ar 10.50AM	Ar 5.10AM	Ar 11.05AM	Ar 11.35PM	Ar 6.10AM	7.20	Ar 11.17AM	Ar 5.05PM	Ar 3.45AM	Ar 6.30AM	Ar 3.05AM	Ar 7.00AM	Ar 5.40PM	Ar 6.30PM	Ar 5.25PM
4.06																		
GRAND AVENUE	9.97	Yard	70						7.35									
0.55																		
INCLINE									7.45									
UNION DEPOT																		
UNION DEPOT																		
0.55																		
STATE LINE	10.55	Yard							Ar 7.50AM									
10.55				Daily	Daily	Daily	Daily	Daily	Daily	Daily Ex. Sunday	Daily	Daily	Daily	Daily	Daily	Daily Ex. Sunday	Daily Ex. Sunday	Daily Ex. Sunday
				51	54	55	61	64	73	92	156	160	168	251	253	97	293	695
				.35	.35	.25	.10	.22	.45	.30	.30	.20	.20	.10	.25	.15	.25	.25

SPECIAL INSTRUCTIONS.

A 1. **ALL EAST BOUND TRAINS ARE SUPERIOR TO TRAINS OF THE SAME CLASS IN THE OPPOSITE DIRECTION.**
A 2. **EASTERN DIVISION TRAIN No. 7 HAS RIGHT OVER ALL TRAINS.**
A 3. **DIRECTION CHANGES ON CENTRAL KANSAS DIVISION TRAINS AT K. C. S. W. JUNCTION.**
A 4. **Train Registers**—Union Depot, K. C. S. W. Junction and East Yard.
A 5. **Standard Clocks**—Union Depot Telegraph Office.
A 6. **Bulletin Boards**—Hickory Street, Union Depot, K. C. S. W. Junction, East Yard, East Bottoms Round House and Cypress Round House.
A 7. **Water Stations**—East Bottoms Round House, State Line and Cypress Round House.
A 8. **Coal Stations**—East Bottoms Round House and Cypress Round House.
A 9. All trains moving through Kansas City Terminals must reduce speed and have train under control, and be prepared to stop in event of any obstruction on the track.
A 10. Agent at Grand Avenue may flag train No. 1 for Passengers holding paid transportation destined to Pueblo or beyond.
A 11. All Central Kansas Division trains will stop at K. C. S. W. Junction and all West bound Central Kansas Division trains will get a Clearance Card before leaving.
All orders covering the movement of trains between Congo and Rock Creek Junction will be issued from Dispatcher's Office, Jefferson City.
All orders covering the movement of trains between Rock Creek Junction and K. C. S. W Junction will be issued from Dispatcher's Office at Sedalia.
All orders covering the movement of trains between K. C. S. W. Junction and State Line will be issued from Superintendent's Office, Kansas City Terminal Division.
A 12. All orders covering the movement of trains between Leeds and K. C. S. W. Junction will be issued from Dispatcher's Office at Osawatomie.

Special attention is called to Rules No. D 2, D 6, D 7 and D 27.

KANSAS CITY TERMINAL DIVISION—STATE LINE TO LEEDS; K. C. S. W. JUNCTION TO CONGO.

TIME TABLE No. 7. Taking Effect 12:01 A. M. November 11, 1906.

FREIGHT TRAINS EASTBOUND

STATIONS.	Distance from State Line.	Passing Tracks	Station Numbers	SECOND CLASS														THIRD CLASS				
				Cent. Kansas Div. 51 St. Louis-Colorado Red Ball	Eastern Div. 54 Kansas City & St. Louis Red Ball	Eastern Div. 56 St. Louis Fresh Meat	Eastern Div. 58 St. Louis Red Ball	Cent. Kansas Div. 59 Kansas City & Colorado Red Ball	Eastern Div. 64 St. Louis Stock & Red Ball	Eastern Div. 88 Myrick Coal Cars	Cent. Kansas Div. 91 Local Freight.	Cent. Kansas Div. 153 Little Rock Red Ball	Cent. Kansas Div. 157 Omaha-New Orleans Red Ball	Cent. Kansas Div. 177 Wichita Red Ball	Joplin Div. 252 Joplin Red Ball	Joplin Div. 254 Memphis Red Ball	Joplin Div. 286 Joplin Coal Cars	Eastern Div. 96 Local Freight	Joplin Div. 292 Local Freight	Eastern Div. 696 Lexington Br. Local Freight		
				Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily Ex. Sunday	Daily	Daily	Daily	Daily	Daily	Daily	Daily Ex. Sunday	Daily Ex. Sunday	Daily Ex. Sunday		
LEEDS	10.50	88	2602	Ar 11.57AM				Ar 9.45PM			Ar 12.45PM	Ar 8.05PM	Ar 11.30AM	Ar 6.33PM								
3.05																						
CENTROPOLIS	7.45	70	2601	11.50				9.36			12.30	7.55	11.30	6.25								
0.87																						
SHEFFIELD	6.58	70	2600																			
1.08																						
CONGO	10.65				Ar 8.50AM	Ar 1.40PM	Ar 7.35PM			Ar 8.45PM										Ar 5.20AM		
0.76																						
ROCK CREEK JUNCTION	9.89				8.45	1.30	7.30		Ar 10.35AM	Ar 8.40					Ar 6.59PM	Ar 1.40PM	Ar 3.30PM	Ar 6.58AM	Ar 6.28AM	5.15		
1.39																						
K. C. S. W. JUNCTION	5.50	Yard		11.40	8.25	1.25	7.25	9.25	10.30	8.35	12.10	7.45	11.20	6.15	6.55	1.35	3.25	6.53	6.25	5.10		
0.96																						
EAST YARD				Lv 11.30AM	Lv 8.15AM	Lv 1.15PM	Lv 7.15PM	Lv 9.20PM	Lv 10.25AM	Lv 8.35PM	Lv 12.05PM	Lv 7.40PM	Lv 11.15AM	Lv 6.10PM	Lv 6.50PM	Lv 1.20PM	Lv 3.20PM	Lv 6.45AM	Lv 6.10AM	Lv 5.00AM		
4.06																						
GRAND AVENUE	0.53	Yard	70																			
0.53																						
INCLINE																						
UNION DEPOT																						
UNION DEPOT																						
STATE LINE		Yard																				
10.50				Daily	Daily	Daily	Daily	Daily	Daily	Daily	Daily Ex. Sunday	Daily	Daily	Daily	Daily	Daily	Daily	Daily Ex. Sunday	Daily Ex. Sunday	Daily Ex. Sunday		
				51	54	56	58	59	64	88	91	153	157	177	252	254	286	96	292	696		
				.27	.35	.25	.20	.25	.25	.20	.40	.25	.21	.23	.09	.20	.10	.13	.15	.20		

SPECIAL INSTRUCTIONS.

A 1. **ALL EAST BOUND TRAINS ARE SUPERIOR TO TRAINS OF THE SAME CLASS IN THE OPPOSITE DIRECTION.**

A 2. **EASTERN DIVISION TRAIN No. 7 HAS RIGHT OVER ALL TRAINS.**

A 3. **DIRECTION CHANGES ON CENTRAL KANSAS DIVISION TRAINS AT K. C. S. W. JUNCTION.**

A 4. **Train Registers**—Union Depot, K. C. S. W. Junction and East Yard.

A 5. **Standard Clocks**—Union Depot Telegraph Office.

A 6. **Bulletin Boards**—Hickory Street, Union Depot, K. C. S. W. Junction, East Yard, East Bottoms Round House and Cypress Round House.

A 7. **Water Stations**—East Bottoms Round House, State Line and Cypress Round House.

A 8. **Coal Stations**—East Bottoms Round House and Cypress Round House.

A 9. All trains moving through Kansas City Terminals must reduce speed and have train under control, and be prepared to stop in event of any obstruction on the track.

A 10. Agent at Grand Avenue may flag train No. 1 for passengers holding paid transportation destined to Pueblo or beyond.

A 11. All Central Kansas Division trains will stop at K. C. S. W. Junction and all West bound Central Kansas Division trains must get a Clearance Card before leaving.
All orders covering movement of trains between Congo and Rock Creek Junction will be issued from Dispatcher's Office, Jefferson City.
All orders covering the movement of trains between Rock Creek Junction and K. C. S. W. Junction will be issued from Dispatcher's Office at Sedalia.
All orders covering the movement of trains between K. C. S. W. Junction and State Line will be issued from Superintendent's Office, Kansas City Terminal Division

A 12. All orders covering the movement of trains between Leeds and K. C. S. W. Junction will be issued from Dispatcher's Office at Osawatomie.

Special attention is called to Rules No. D 2, D 6, D 7 and D 27.

KANSAS CITY TERMINAL DIVISION—UNION DEPOT TO RAMAPO.

PASSENGER TRAINS WESTBOUND — FIRST CLASS											TIME TABLE No. 7. Taking Effect 12:01 A. M. November 11, 1906.		FREIGHT TRAINS WESTBOUND — SECOND CLASS									
	K. C. N. W. Div. 537 Passenger	K. C. N. W. Div. 503 Passenger	Omaha Div. 131 Riverside Passenger	Omaha Div. 109 St. Joe Limited	Omaha Div. 127 St. Joe Express	Omaha Div. 105 Omaha Express	Omaha Div. 103 Nebraska Mail & Exp.	Omaha Div. 101 St. Joe Limited	Station Numbers.	Distance from Union Depot.		Passing Tracks.	U. P. 37 Freight	L. E. & W. 953 Freight	Omaha Div. 155 Omaha Red Rail	Omaha Div. 159 St. Joe Red Rail	Omaha Div. 173 St. Joe Red Rail	Omaha Div. 175 Omaha Red Rail	Omaha Div. 179 Omaha Red Rail			
	Daily Ex. Sunday	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.			STATIONS.		Daily.	Daily Ex. Monday	Daily.	Daily.	Daily Ex. Monday	Daily.	Daily.			
	Lv 4.05PM	Lv 8.40AM	Lv 4.35PM	Lv 5.45AM	Lv 1.50PM	Lv 10.10PM	Lv 9.45AM	Lv 6.00PM			UNION DEPOT											
											0.58											
	4.08	8.43	4.38	5.48	1.53	10.13	9.48	6.04		0.58	STATE LINE	Yard										
											0.26											
	4.10	8.44	4.39	5.49	1.54	10.15	9.50	6.06		0.84	N KAW BRIDGE											
											0.68											
	4.14	8.47	4.42	5.52	1.56	10.17	9.51	6.10		1.52	K. C. KAN. JUNCTION	Joint Track	Lv 1.45PM									
											0.77											
	4.17	8.50	4.45	5.54	1.58	10.19	9.54	6.12			N NORTH CYPRESS	Yard	1.50	Lv 4.00AM	Lv 11.40AM	Lv 10.30PM	Lv 8.00AM	Lv 7.00PM	Lv 7.30PM			
											0.45											
	Ar 4.20PM	Ar 8.55AM	a 4.48	a 5.57	a 2.01	a 10.20	a 9.59	a 6.15	73	2.74	N KAN. CITY, KAN.	48	Ar 1.55PM	4.15	11.50	10.40	8.07	7.06	7.36			
											2.38											
			Ar 4.52PM	Ar 6.02AM	Ar 2.06PM	Ar 10.26PM	10.01AM	Ar 6.18PM	D 73	5.12	RAMAPO	115		Ar 4.32AM	Ar 12.03PM	Ar 10.50PM	Ar 8.17AM	Ar 7.17PM	Ar 7.40PM			
	Daily Ex. Sunday	Daily	Daily	Daily	Daily	Daily	Daily	Daily			5.12		Daily	Daily Ex. Monday	Daily	Daily	Daily Ex. Monday	Daily	Daily			
	537	503	131	109	127	105	103	101					37	953	155	159	173	175	179			
	.15	.15	.17	.17	.16	.16	.16	.16					.10	.20	.23	.20	.17	.17	.19			

SPECIAL INSTRUCTIONS.

B 1. All Eastbound Trains are superior to trains of the same class in the opposite direction.
B 2. Train Registers—Union Depot, and North Cypress Telegraph Offices.
B 3. Standard Clocks—Union Depot Telegraph Office.
B 4. Bulletin Boards—Union Depot, Hickory Street, and Cypress Roundhouse.
B 5. Water Stations—State Line and Cypress Roundhouse.
B 6. Coal Station—Cypress Roundhouse.
B 7. All trains moving through Kansas City Terminals must reduce speed and have train under control, and be prepared to stop in event of any obstruction on the track.
B 8. No. 101 has right over No. 508 between Union Depot and Kansas City, Kansas.
B 9. No. 103 has right over No. 502 between Union Depot and Kansas City, Kansas.
B 10. No. 175 has right over all second class trains except No. 154 between North Cypress and Ramapo, Kansas.
B 11. All orders covering the movement of trains between Ramapo and Union Depot, Kansas City, will be issued from Train Dispatcher's office, Atchison.

All passenger trains in both directions will throw off register tickets at Kaw Bridge and North Cypress.

Special attention is called to Rules No. D 2, D 6, D 7 and D 27.

KANSAS CITY TERMINAL DIVISION—RAMAPO TO UNION DEPOT.

2547 7

PASSENGER TRAINS EASTBOUND — FIRST CLASS

K. C. N. W. Div. 508 K. C. N. W. Pass. Daily.	K. C. N. W. Div. 502 K. C. N. W. Pass. Daily Except Sunday.	Omaha Div. 128 Kansas City Accom. Daily.	Omaha Div. 110 St. Louis Limited Daily.	Omaha Div. 108 St. Louis Mail & Exp. Daily.	Omaha Div. 106 Kansas City Express Daily.	Omaha Div. 132 Hiawatha Passeng'r Daily.	Omaha Div. 102 St. Louis Limited Daily.	Station Numbers.	Distance from Ramapo.	TIME TABLE No. 7. Taking Effect 12:01 A. M. November 11, 1906. STATIONS.	Passing Tracks.
Ar 6.00 PM	Ar 9.45 AM	Ar 9.05 PM	Ar 10.30 PM	Ar 5.00 PM	Ar 6.50 AM	Ar 11.42 AM	Ar 9.30 AM		5.12	N UNION DEPOT	
										0.58	
5.54	9.42	9.02	10.27	4.57	6.47	11.39	9.26		4.54	N STATE LINE	Yard
										0.26	
5.52	9.40	8.59	10.24	4.55	6.45	11.37	9.24		4.28	N KAW BRIDGE	
										0.68	
5.50	9.37	8.57	10.22	4.53	6.43	11.35	9.20		3.60	K. C. KAN. JUNCTION	
										0.77	
5.47	9.33	8.55	10.21	4.50	6.40	11.31	9.17			N NORTH CYPRESS	Joint Track
										0.45	
Lv 5.44 PM	Lv 9.30 AM	s 8.58	s 10.20	s 4.48	s 6.38	s 11.29	s 9.15	73	2.38	N KAN. CITY, KAN.	48
										2.38	
		Lv 8.48 PM	Lv 10.15 PM	Lv 4.41 PM	Lv 6.32 AM	Lv 11.23 AM	Lv 9.11 AM	D73		RAMAPO	115
Daily	Daily Except Sunday	Daily	Daily	Daily	Daily	Daily	Daily			5.12	
508	502	128	110	108	106	132	102				
.16	.15	.17	.15	.19	.18	.19	.19				

FREIGHT TRAINS EASTBOUND — SECOND CLASS

U. P. 36 Freight Daily.	L. K. & W. 964 Freight Daily Except Monday	Omaha Div. 154 Colorado-St. Louis Red Ball Daily.	Omaha Div. 156 Ark.-La. St. Louis Meat Exp. Daily.	Omaha Div. 158 St. Louis Meat Daily.	Omaha Div. 164 Stock Express Daily.	Omaha Div. 166 Local Stock Daily Except Monday	Omaha Div. 178 Arkansas-St. Louis Red Ball Daily.
Ar 2.38 PM							
	Ar 3.18 AM	Ar 8.00 AM	Ar 10.20 AM	Ar 6.35 PM	Ar 6.30 AM	Ar 5.00 AM	Ar 2.45 PM
Lv 2.25 PM	3.05	7.47	10.09	6.26	6.15	4.45	2.20
	Lv 2.58 AM	Lv 7.35 AM	Lv 10.01 AM	Lv 6.18 PM	Lv 6.02 AM	Lv 4.32 AM	Lv 2.26 PM
Daily	Daily Except Monday	Daily	Daily	Daily	Daily	Daily Except Monday	Daily
36	964	154	156	158	164	166	178
.10	.20	.25	.10	.17	.28	.28	.17

SPECIAL INSTRUCTIONS GOVERNING JOINT TRACK BETWEEN KANSAS CITY KANSAS JUNCTION AND KANSAS CITY, KANSAS.

C 1. The Track between Kansas City Kansas Junction and Kansas City, Kansas, is joint with the Union Pacific Railroad Co., and trains of all roads using said JOINT TRACK will be governed by the following:

C 2. All Engines and Trains will approach and run over Joint Track under control, and Conductors must personally ascertain that the Track is clear and Switches all right, before attempting to pass their trains.

C 3. Regular Trains, either Freight or Passenger, will have the right of road on Joint Track for ten (10) minutes after their card time, after which, if regular trains, either Freight or Passenger, in the opposing direction are due, they can only proceed by **Flagging Curves.** If no regular train is due they must proceed with **extreme caution,** as irregular Trains have the right to flag curves over Joint Track, against any regular train that is more than ten (10) minutes behind its own card time.

C 4. By **Flagging Curves,** is understood a rate not exceeding four (4) miles per hour, with a flagman **one-fourth (¼) of a mile in front of the Engine** at all points where the Track cannot be seen one-fourth (¼) of a mile in advance.

C 5. All irregular trains of the Missouri Pacific Railway must flag curves on Joint Track. Irregular Trains of the Union Pacific Railroad have a right to run against irregular Trains of the Missouri Pacific Railway over Joint Track without Flagging Curves, but they must run with extreme caution, at a speed not exceeding six (6) miles per hour, looking out for a flag.

C 6. When irregular Trains meet on Joint Track, the one nearest a siding must be backed, unless the safety of either Train is thereby endangered.

C 7. **Missouri Pacific, L. K. & W. and Un. Pac. Freight Trains will wait indefinitely for Missouri Pacific and K. C. N. W. Passenger Trains on Joint Track.**

C 8. Within the limits specified, the above rules will supersede the General Rules and Special Rules of the separate roads, wherein they conflict.

A. T. PALMER,
Asst. Supt. Union Pacific Railroad.

C. E. CARSON,
Superintendent,
Missouri Pacific Railway.

SPECIAL INSTRUCTIONS.

D 1. Between State Line and Ramapo, Kans., and K. C. S. W. Junction and Leeds trains are operated over single track. Between State Line and Rock Creek Junction and Congo trains are operated over double track.

D 2. No train must be left standing upon, or do switching from main tracks, when such work will cause detention to other trains.

D 3. Conductors of Passenger Trains will report to the Superintendent the number of any train or engine obstructing or delaying their movement.

D 4. No train or engine must pass over switches where Switch-tenders are stationed, unless the proper signal is given by the Switch-tender, and then the cylinder cocks of engines must be closed.

D 5. All trains and engines will approach Congo, Rock Creek Junction and K. C. S. W. Junction under control, and will not pass until signal to proceed is received from the switch tender.

D 6. All passenger trains will reduce speed between State Line and switch leading to coach yard at Cypress, South of roundhouse, to 10 miles per hour, running under control, expecting to find engines and trains on Main track unprotected.

Passenger trains running on time, between these points, must be under control, prepared to stop in the event of any obstruction on the track. This, however, does not give Yardmen or Hostlers any right to use the Main track between the points referred to on the time of passenger trains, which are not more than 10 minutes late, and even then they must make every possible effort to ascertain the time that passenger trains will arrive or depart, and cause as little delay to them as possible.

D 7. Trains do not require orders to move between State Line and Union Depot, and Congo, but will get a clearance card from the Operator before starting. Trains moving East over main line, or West over Central Kansas Division, will get their orders at K. C. S. W. Junction.

D 8. Switch Tenders and Street Crossing Watchmen, except Towermen, must display danger signal, or flag an approaching train, when the track is obstructed or occupied. Signals of Switch-tenders and Crossing Watchmen do not in any manner relieve trainmen of their responsibility to promptly and properly protect their trains.

D 9. In moving Passenger Trains to and from Union Depot, Conductors, Yard Foremen and Pilots must see that their trains are provided with back-up tail-hose, and that same are kept in working order.

D 10. All trains and engines must stop before passing over crossings of Kansas City Suburban Belt R. R., just east of K. C. S. W. Junction and Kansas City Suburban Belt R. R., one-half mile east of Grand Ave.

D 11. All trains and engines on Eastbound Main Line must stop before passing over crossing of Metropolitan Street Ry. at Lydia Ave.

D 12. All trains and engines will approach Metropolitan Street Railway crossing at Montgall Ave., near Heim's Brewery, on West bound main track, under control, prepared to stop if the crossing is occupied by street cars.

D 13. If Passenger Trains on double track find main track blocked, they will take the most convenient cross-over and use the opposite track always under the protection of a flag.

D 14. Cross-over Switches on double track are located as follows:

East end Kansas City Yard at Hickory Street;
Santa Fe Street;
Foot of Incline track leading to Union Depot;
West of Grand Avenue Depot at Main Street;
2000 feet East of Grand Avenue Depot;
1000 feet East of C. M. & St. P. Crossing;
K. C. S. W. Junction;
Rock Creek Junction.

D 15. All crossings with other Railroads at grade, not protected by signals, must be flagged by trainmen preceding train to crossing and signaling engineer from that point.

D 16. The following signals will be used at Junction of U. P. R. R. and Mo. Pac. Ry. at State Line:

A *Green* Signal shown at Junction of U. P. R. R. indicates that switch is right for trains, *on that* road to pass.

A *Red* Signal indicates that switch is right for trains of the Mo. Pac. Ry. to pass.

All passenger trains must stop at U. P. Junction, and see that switch and signal are right before they proceed.

D 17. At all grade crossings with other Railways, where there are no interlocking plants, a red flag by day and a red light at night will be used by Watchmen for Missouri Pacific trains and engines, and a green flag by day and a green light at night for Street Cars and trains and engines of other railways—excepting at Lydia Ave., where a white flag by day and a white light at night will be used for street cars.

D 18. Conductors and Engineers running over Union Depot tracks must provide themselves with a copy of Rules and Regulations governing the operation of the Union Depot Interlocking System.

D 19. All switch engines must be equipped with re-railing frogs, switch chains and red lights.

In handling drags through the Terminals, a red light must always be displayed on end of last car.

D 20. No train will be permitted to enter on Union Depot tracks until the proper signals are given and speed reduced to 5 miles per hour.

D 21. Engineers will be particular to have Dampers closed and Fire under control while standing in Union Depot Yard, so as to prevent engines from blowing off steam and causing unnecessary smoke. Engineers will be permitted to use necessary oil, five minutes before the departure of train, being careful not to allow oil to drop on platform. The bell must be rung whenever an engine is in motion on Union Depot tracks, and before starting trains.

D 22. On the Kansas City Terminals there are numerous platforms, sheds, roofs, waterspouts, telegraph poles, bridges, buildings, scales, trolley wires of street railways and other obstructions which will not clear a man standing on the top, or hanging on the side of cars, and all persons are particularly cautioned to inform themselves as to the location of such obstructions, using constant care to avoid injury thereby; also when required to go into the yards or on the tracks of other companies, they must exercise the same care in looking out for obstructions which may be close to track.

D 23. Engineers who run through switches must notify the Assistant Yard Master in charge at once, who must immediately notify section men. Engineers must make written reports promptly to Superintendent of all accidents or damage to persons or property caused by the movement of the engine in their charge.

D 24. Enginemen must not clean their fires on any tracks in Kansas City Yards except at Cinder Pit located at Cypress Shops and East Bottoms.

D 25. Railroad Crossings and Junctions governed by Interlocking System are located as follows:

C. M. & St. P. and St. L. S. F. Rys., 1200 feet west of M. P. 278.
West of K. C. S. W. Junction.
C. & A. Ry. 1300 feet west of M. P. 6.
Rock Creek Junction and Independence Air Line crossing, 350 feet west of M. P., 276.

At crossing of C. M. & St. P. and St. L. S. F. Rys., the position of the arm on the home semaphore located on the east and west bound tracks govern the movement over the crossing. (See Rule 10 Book of Rules.)

At Rock Creek Junction the lower arm of the home semaphore located on the eastbound track governs the movement to the River District, and upper arm governs the Main Line Movement.

D 26. Railroad crossings protected by signalman:

K. C. N. W. Ry. crossing 1300 feet west of M. P. 286.
St. L. & S. F. Ry. crossing at Santa Fe street.
K. C. So. Ry. crossing at Troost avenue.

Railroad crossings not gated:

K. C. So. Ry. crossing 3500 feet west of M. P. 277.
K. C. Belt Ry. crossing 3500 feet west of M. P. 6 at Sheffield.

See special instructions Q 22 and Q 23.

D 27. Freight Trains and Switch Engines must keep entirely out of the way of Passenger Trains.

SPECIAL INSTRUCTIONS FOR KANSAS CITY TERMINAL DIVISION.

Q 1. When a train is detoured it must not leave the station at which it returns to its own rails, without a "31" running order.

Q 2. Unless otherwise indicated, the time of a train at any station on time table applies to the switch where an inferior train takes the siding; where there is no siding, it applies to the place from which fixed signals are operated. Where there is neither siding or fixed signal, it applies to the place where traffic is received or discharged.

Q 3. Running switches must not be made when they can possibly be avoided. When necessary they must be carefully made. Train Conductor or Yard Foreman first seeing that the tracks are clear, switches all right and hand brakes in good order.

Q 4. Any knowledge train or enginemen may have of Block System, whether mechanical or manual, does not permit them to dispense with the use or observance of other signals, whenever or wherever they may be required; nor does it relieve enginemen and trainmen from taking all precautions required by train rules for the protection of their trains.

Q 5. No train will be allowed to obstruct any public crossing to exceed five minutes at one time; when more time is required, train must be cut and separated to allow the free use of crossing.

Q 6. All persons are strictly forbidden to board engines or cars while they are in too rapid motion. Under no circumstances must they stand on track and board engines or cars when same are approaching them.

Q 7. Employes must use great care in coupling or uncoupling cars, and not go between the cars unless they are moving at a slow and safe speed, nor attempt to couple or uncouple cars unless the coupling appliances are known to be in good order.

Q 8. When a local first-class train falls back on the time of a fast through first-class train in the same direction, it will proceed as an inferior train, clearing the time of the fast train, unless authorized by train order to run ahead of it. This does not apply north of De Soto.

Q 9. Switches must be left set and locked for main track after having been used.

When employes set switches for the main track, they must test the lock to know that it is secured, and must see that the switch points fit properly. Defective locks found on main track switches must be reported to the Train Master by telegraph.

When a switch is found to be in defective condition, the section foreman must be immediately notified; and if the condition of the switch involves hazard to the movement of trains, arrangements must be made to flag trains until the track is made safe.

The Train Master must be promptly notified from the first open telegraph office of any defective condition of the track or roadway.

When a train backs in on a siding to meet or be passed by another train, the engineman, when his engine is in to clear, must also see that the switch is properly set for the main track.

Enginemen must know that switches are properly set before they pull in or out of sidings or other tracks.

Q 10. If anything is seen by enginemen which has the appearance of an obstruction, or if there be any indication of defect of track or roadway, they must immediately reduce speed, stopping train if necessary, and be assured that the track is clear and safe before proceeding.

If there be reason to believe that their train has passed over any dangerous defect of track or roadway, enginemen must stop at once, and notify the conductor, in order that he may investigate, and take proper action.

During and immediately after severe storms, they must run with caution over those portions of the track likely to be damaged.

Enginemen must respond promptly in making answer to signals, and must not pass a flagman until they have ascertained the reason for being flagged.

When conductors are made aware their train has caused damage to track by derailment or otherwise, or if it has passed over any dangerous defect in track, bridges or roadway, or in the event of any dangerous obstruction falling from their train, they must stop at once and investigate. If the defect cannot be remedied or the obstruction removed, they must leave a flagman, or other competent employe, with signals to protect the following train, and must notify all trains that are met, until notice is sent to the Train Master from the next telegraph office. Whenever the services of trackmen are required, they must be promptly called.

Q 11. When running over track or bridge under slow order, the conductor must have a man on the steps of the last car of a passenger train and on top of the last car of a freight train.

The engineman must maintain the uniform speed prescribed by the order until an all right signal is received from the man so stationed, after rear of train has passed the designated point.

Q 12. Enginemen must never cut their engines off and leave their train without first consulting their conductor. This applies to trains of all classes. Conductors of second and succeeding class trains must, when practicable, be on their engines at all meeting points and approaching all yard limit stations, unless they are running closely ahead of a superior train, when they should be on the rear end.

Q 13. If practicable to avoid it, a train must not be allowed to stand on a curve or bridge between stations.

Q 14. Engines running backward must not exceed ten (10) miles per hour except that Helper Engines running backward that are provided with pilot on tender may run twenty (20) miles per hour on main line.

Q 15. Conductors and enginemen will examine bulletin boards before starting on each trip.

Q 16. The Train Registers, showing the arrival and departure of trains, will be kept at points designated in the Time Table.

Conductor and Engineman must check register at the initial station for their train, as per Rule 83.

At other points where train registers are kept, conductor must check and enter in register all the information required by its form, and, before proceeding must know whether all trains due, which are superior or of the same class, have arrived or left.

The Engineman will also check the register at intermediate points when practicable. He must know before leaving a junction, or passing from double to single track, that all trains duewhich are superior, or of the same class, have arrived or left.

Q 17. A train must not leave its initial station on each District without a clearance card (Form 117-Rev.), authorized by the train dispatcher and bearing his signature, countersigned by the operator; or a train order.

If the line fails, the clearance card, bearing the signature of the operator only, will be authority for the train to proceed on its schedule.

Q 18. When train order signal indicates stop while train is at station, train must have clearance card before proceeding. This will not relieve operators from complying with requirements of Rule 219.

Q 19. A white lantern will be used at flag stations instead of green and white, as required by Rule 25.

Q 20. Platform lights on rear of first-class trains and cupola lights on caboose will be used in addition to lights prescribed by Rules and must be concealed when on siding to clear.

Q 21. Conductors will be held responsible for the safety of their trains at all terminals until taken charge of by yard master.

Q 22. Missouri Pacific trains will approach gated Railroad crossings under full control and at crossings gated against our line, stop, whether gate is turned against Foreign line or not. Gate must not be turned to clear our line while train is in motion. At points gated against Foreign line, Missouri Pacific trains will be prepared to stop within two hundred feet of crossing. If crossing gate is against Foreign line they can proceed at speed not exceeding ten miles per hour over the crossing.

Q 23. At grade crossings where there are no signalmen, and the view in each direction is not clear for at least 800 feet, one of the crew must precede the train and give signal from the crossing if safe to proceed.

At crossings where regular signalmen are employed, all trains will stop and not proceed until all right signal is given by the signalman.

At a crossing or junction, when practicable, a train must not be stopped at a point where any part of it will interfere with the free passage of trains on the other track.

Q 24. Trains or engines must be run with caution when entering or moving through sidings or yard tracks, expecting to find them occupied.

Q 25. Cars must not be left on sidings when possible to avoid it.

When a siding is obstructed, notice must be sent promptly by telegraph to the Train Master.

Q 26. Cars on side tracks, whether in yards or at stations, must stand clear of all other tracks.

Q 27. Enginemen must whistle Classification Signals both at Engine and Caboose. Train men at Caboose will answer by hand or lamp signal.

Q 28. At schedule meeting points as between passenger trains, and at meeting points made by train order as between passenger and all trains, passenger conductors must give two long and one short blast of the air whistle or a series of sharp sounds of the engine gong immediately after station whistle signal is sounded, which the engineman must answer by two short blasts of the whistle.

If the engineman fails to sound station signal as per Rule 14 (m), at such meeting points, or answer, the conductor must stop the train before it reaches the ruling switch and report the facts to the Train Master.

Q 29. Agents will record in a conspicuous place on waybills date and hour stock is loaded, and conductors must transmit this information to Train Master by telegraph.

Q 30. Enginemen must use the utmost care to prevent killing or injury of stock, and STOP THE TRAIN, if necessary, to prevent such accident.

When stock is killed or injured, the conductor must be notified and written report promptly made by the engineman to the Train Master.

Q 31. Great care must be exercised to not overload coal stoves in buildings or cars, and fires in stoves must be examined and made safe before leaving them.

Q 32. The reading of newspapers, books or periodicals by Enginemen, Trainmen, Signalmen, Watchmen and Crossing Flagmen while on duty is prohibited.

EXPLANATION OF CHARACTERS.

C—Coal.
D—Day Telegraph Office.
F—Flag Stop.
N—Day and Night Telegraph Office.
S—Local Stop.
T—Turntable.
W—Water.
Y—Wye.
*—Mail Catcher. ‡—Scales. ¶—Meal Station.

INSTRUCTIONS GOVERNING THE USE OF AIR BRAKES, AIR WHISTLE SIGNALS, BAKER HEATERS, STEAM HEAT AND PINTSCH GAS.

AIR BRAKES.

1. A freight train must not leave its initial station with less than seventy-five per cent of the cars in the train equipped with air brakes in working order and in use.

2. All of the available air brakes must be connected and in use. When station order makeup will not permit the use of all the air brakes, at least seventy-five per cent of the cars in train must be equipped with air brakes and in use. When necessary to cut out air brakes on account of defects or otherwise, it must be done at the cross-over pipes, not at the angle cocks, so as to give a straight train line and obtain the benefit of air brakes in case of train parting. When it is not practicable to cut out at cross-over pipes, car must be switched out and placed with the non-air cars.

3. Enginemen must be notified by the trainmen, and know before commencing trip, the total number of cars in the train and the number of air brake cars in use.

4. Conductors and enginemen will be held equally responsible for knowing by personal examination that the brakes upon their train are in good working order at all times.

5. Air brakes must be tested by applying and releasing brakes from engine before starting from terminal stations, and at all other places where engine or cars have been detached, or hose coupling separated.

6. After all couplings have been made on a passenger train, the engineman will be instructed to apply brakes; the brakeman or car inspector will then pass to the rear of the train, noticing that the brakes are properly applied to each car. Four taps of the signal bell, or a like number of sounds of the air whistle signal, will be given from the rear platform, as notice to the engineman to release brakes; the brakeman or car inspector will then pass to the engine, noticing brakes to see if they properly release. If so, he will notify the engineman that the brakes are working all right. Should the brakes on any car fail to work properly, immediate steps must be taken to put them in order before starting the train. Conductors must personally know that the above test has been made at all terminal stations, as well as at any station where hose coupling has been separated.

As an extra precaution, enginemen must apply the air brakes by the "service" application of from ten (10) to fifteen (15) pounds reduction in train pipe, while working steam on locomotive, within three hundred (300) yards of starting point, after leaving a terminal station or any place where the engine or cars have been detached, or hose couplings separated; also at least one (1) mile before reaching end of double track, junctions, railroad crossings at grade, draw bridges, regular stops, and before descending heavy grades.

7. Enginemen must use the brakes carefully to avoid injury to passengers or freight. They must not use the emergency application unless it is really necessary; and must be especially careful to apply brakes moderately when train is moving slowly.

8. The conductor's valve must never be used except in case of emergency, and when it is used, should be held open until it is certain that the engineman has noticed the application of the brakes and put his valve on "lap."

9. When there are sufficient air brake cars in service in a freight train to properly handle it, the engineman will be held responsible for "service" stops, but trainmen must be ready to assist in stopping train if called upon. This will not relieve trainmen from being in their assigned positions on train, as required by the Rules and Regulations.

10. When an engine has been coupled to a freight train, and the gauge shows a sufficient pressure in train pipe, the trainman or inspector making the test will request the engineman to apply the brakes, and will then go to each car and observe the piston to see that the brake is set. When the last air car is reached, if the brakes are set properly, he will give a signal to the engineman to release the brakes, and the person making the test will then examine each car to see that the brake releases, and on arriving at the engine will report to the engineman the number of brakes in good working order. If any brakes will not release, or have leaks or broken rods, or other defects which render it necessary, they must be cut out by closing stop-cock in branch pipe, and then bleed, to insure that they will not stick. Opening the stop-cock at rear car is not a reliable test of the brakes, and is strictly forbidden.

11. Brakemen of freight trains will be expected to couple air hose in making up trains at terminal points, and have train in readiness to test air when engine reaches train. They will begin invariably at the rear end of train and see that stop-cock in train pipe at rear of last air car is closed and all other stop-cocks in train pipe at the end of cars are open; that the hose are all coupled; that the stop-cock in branch pipe of each car is opened, the handle of pressure retaining valve on each car is turned down, and all hand brakes released, unless they are needed to hold the cars while making up train.

12. Enginemen, on taking their engines at terminals, must start the air pump in time to have a full pressure of air in main reservoir on reaching train so that they may charge train promptly and test brakes as outlined above, without delaying the departure of the train.

13. To provide against breaking in two and running together, all air cars in train must be coupled up and working. The non-air piped cars should be scattered through the train and not bunched together in any one place. If the air reaches through to caboose, the caboose brake must be coupled up and working. Any defect in caboose brake must be promptly reported. When the train is cut between the air cars, or breaks in two, or additional cars are put in between the engine and the last air car, the brakes must be tested from the engine, as directed above, before proceeding.

14. If air brakes are found to be inoperative, the cause should be ascertained immediately, and no further dependence placed on them to make stops, until proved to be efficient by a test, as outlined above, that they are working.

15. Trainmen must watch carefully for any indication that brakes are not working on all air cars.

16. With freight trains partially equipped with air brakes, the engineman, after shutting off steam, must first allow the slack of train to run in against the engine, and then apply the brakes gradually by five (5) pounds reduction, allowing ample time for any slack that may not yet be taken up to close in before another reduction is made. This will avoid rough handling of that portion of train not equipped with air brakes. In all cases the brakes must be applied carefully in order to prevent shocks and damage to cars and lading.

17. In applying brakes to steady train upon descending grades, enginemen will use great care to keep the slack of train taken up, release the brakes where the grades or curves will keep train together, and apply brakes where grade might allow slack to run out. No excuse will be accepted for rough handling of trains.

18. When brakes are released at foot of grades, ample time must be given for air to release and slack to run out, before using steam.

19. When brakes are cut out, conductors will so advise enginemen.

20. Brakes must be fully released on the entire train before detaching engine.

21. The air should be fully released on cars set out from trains on sidings and hand brakes securely set.

22. When uncoupling cars or engines the brakes must be first released, both angle-cocks closed and the couplings parted by hand.

23. Enginemen must have extra hose and couplings on engine. Trainmen must have extra hose and couplings on caboose and baggage cars.

24. Conductors must report to inspectors any car not in working order.

25. Air brake hose on freight car equipment when not in use, should be allowed to hang down.

Air brake hose on passenger equipment when cars are not in service or hose coupled up should be hung up in dummy hooks.

AIR WHISTLE.

1. Conductors and enginemen handling trains equipped with air whistle signals, will be responsible for knowing that the device is in proper working order. Trains equipped with air whistle signal must be tested by applying the same from the rear car of train before leaving a terminal station, and at every other station where engine or cars have been detached, or hose couplings separated.

2. This test must be made at the time the air brakes are tested. Conductors will report by wire to train master the numbers and initials of cars equipped with air whistle signals that are found to be out of order.

3. In using the air whistle signal, the valve should be held open about one second and remain closed about two seconds between each two sounds. The signals to be used in operating air whistle will be the same as govern Bell Cord Signals.

4. Air whistle hose on passenger equipment when cars are not in service or hose coupled up should be hung up in dummy hooks.

BAKER HEATERS.

1. The heater should be kept half full of coal at all times. The coal should never be allowed to get below top of worm. This will give about 15 inches of fire.

2. The inside safety lid should never be opened, except to build the fire or put in coal. (Never force the fire by opening inside safety lid.)

3. To increase the heat, open inside lower damper, and close upper damper.

4. To reduce the heat, close the lower damper and open the upper damper about two inches, or according to the amount of heat required. With both dampers closed, the air will not be too warm at any time, and by proper working of the lower and upper dampers, and watching the indicator, the car can be kept at any temperature desired.

5. Failure of the heater arises from neglect or mismanagement, generally from allowing fires to run too long without putting in coal, then filling them full and operating the drafts, producing a rapid fire, which, instead of warming the car, stops the circulation and creates gases, which are liable to explode.

6. It will be readily understood that with the large amount of piping in the cars, the circulation—which is principally caused by the weight of the column of water falling from the drum into the pipes, and the difference in the weight of a column of cold and hot water—must be necessarily slow, and that a forced fire will do no good, but will only cause the effect mentioned above.

7. In filling the heater pipes, be sure that the water contains all the salt it will hold in solution, and that no undissolved salt enters the drum. Open the combination cock on end of the drum and pour in water until it runs freely from same. The water should always stand at the height of combination cock, which may be tried by opening the cock, but only when the fire is very low, and no pressure on. Pipes should be warm all around before passengers enter car.

STEAM HEAT.

1. During the heating season, the steam hose must be connected, the valves opened, throughout the train, and steam applied according to requirements.

2. Steam must be circulating throughout the train, all drip valves working freely, and hose connections tight before leaving an initial station, or any place at which cars are set out or taken into the train.

3. The steam admitted to each car must be carefully regulated to maintain a uniform temperature of seventy degrees.

4. Careful attention must be given to the drainage of the train steam pipe to prevent accumulation of water from condensation and the consequent chilling of the cars.

5. Steam hose must not be uncoupled until the steam has been shut off.

6. In case of failure of steam heat, fires must be lighted in the car heaters.

7. Special attention must be given to the printed instructions explaining in detail the mechanism and the operation of the steam heating apparatus. Employes in train service must have a thorough knowledge of the care and management of the heating apparatus.

8. Steam hose on passenger equipment when cars are not in service or hose coupled up should be hung up in dummy hooks.

PINTSCH GAS.

1. When light is required, the gas should be turned on about one-half at the main cock in the end of the car. Each lamp must then be lighted separately and the lamp valve turned on full. The globe of a lamp must be closed before the next one is opened to be lighted.

When the lamps throughout a car have been lighted, the gas must be reduced at the main cock to about one-quarter flame and allowed to stand ten minutes for the burners to become well heated, when the main cock can be turned on to full pressure.

2. At 10:30 p. m. the main cock must be turned to reduce all lamps to one-half flame, and at daylight the lamps must be extinguished by turning off the gas at each lamp valve.

The practice of extinguishing lamps by turning off gas at the main cock is prohibited.

C. S. CLARKE, Vice-President. ST. LOUIS, MO.

A. W. SULLIVAN, General Manager, ST. LOUIS, MO.

J. W. HIGGINS, Assistant General Manager, ST. LOUIS, MO.

E. A. GOULD, General Superintendent, KANSAS CITY, MO.

C. E. CARSON, Superintendent, KANSAS CITY, MO.

T. E. BYRNES, Superintendent of Transportation, ST. LOUIS, MO.

HOSPITAL DEPARTMENT INSTRUCTIONS.

November 11, 1906.

1. Whenever passengers or employes are injured, everything must be done to care for them properly. If they are able to be moved, take them for treatment to the nearest place at which the Company has a surgeon. If they cannot be moved, call the nearest Company surgeon. If the case is urgent and the Company surgeon can not be immediately procured, the conductor, agent or officer in charge is authorized to call the nearest surgeon available to administer first aid and care for the patient until the Company surgeon can take charge of the case.

No surgical operation must be performed until the arrival of the Company surgeon, unless it may be required for the immediate safety of the patient.

2. In cases of serious accidents to trains, conductors, after making everything safe, must give their undivided attention to the care and comfort of their passengers especially to those who are injured. Bedding and linen may be taken from sleepers for this purpose, the conductor keeping careful account of all material so taken, and its return or safe keeping attended to; and, when necessary, injured persons may be put in the sleepers.

When a number of persons are injured the service of competent surgeons in the vicinity should at once be secured and every possible effort made to care for the injured, the District Surgeon being notified by wire to come immediately to the place of the accident.

3. When tramps, boys and other persons, climbing on or jumping from moving trains, or persons walking or lying on the track, are injured or killed, they should be sent to their homes or placed in charge of the local county, city or village authorities, and no expense incurred on the part of the Company in the matter.

4. A report of all accidents on Form 24 must be made, and immediately sent to Superintendent, giving all information asked for on the blank.

In reporting accidents to trains carrying passengers, conductor should use Telegraph Form 154, giving the correct names of the injured and uninjured, the addresses and destinations of all persons on the train, and of the injured, and the extent of their injuries. This report must be sent from first telegraph office to the General Claim Agent and to the Assistant Claim Agent in whose jurisdiction the accident occurs.

As soon as possible thereafter, Form 235 should be made out by each employe and forwarded to the Superintendent of the Division; a separate report being made for each person injured.

5. Every effort must be made to procure the names and addresses of all persons, outsiders as well as employes, who witnessed the accident, especially when persons are injured within the corporate limits of any city, town or village, or when crossing the tracks at a public highway.

6. In every case of personal injury in any Department, a full and complete report must be made at once on Form 335 by every employe immediately present, no matter whether he considers his statement of importance or not, answering every question as fully as possible.

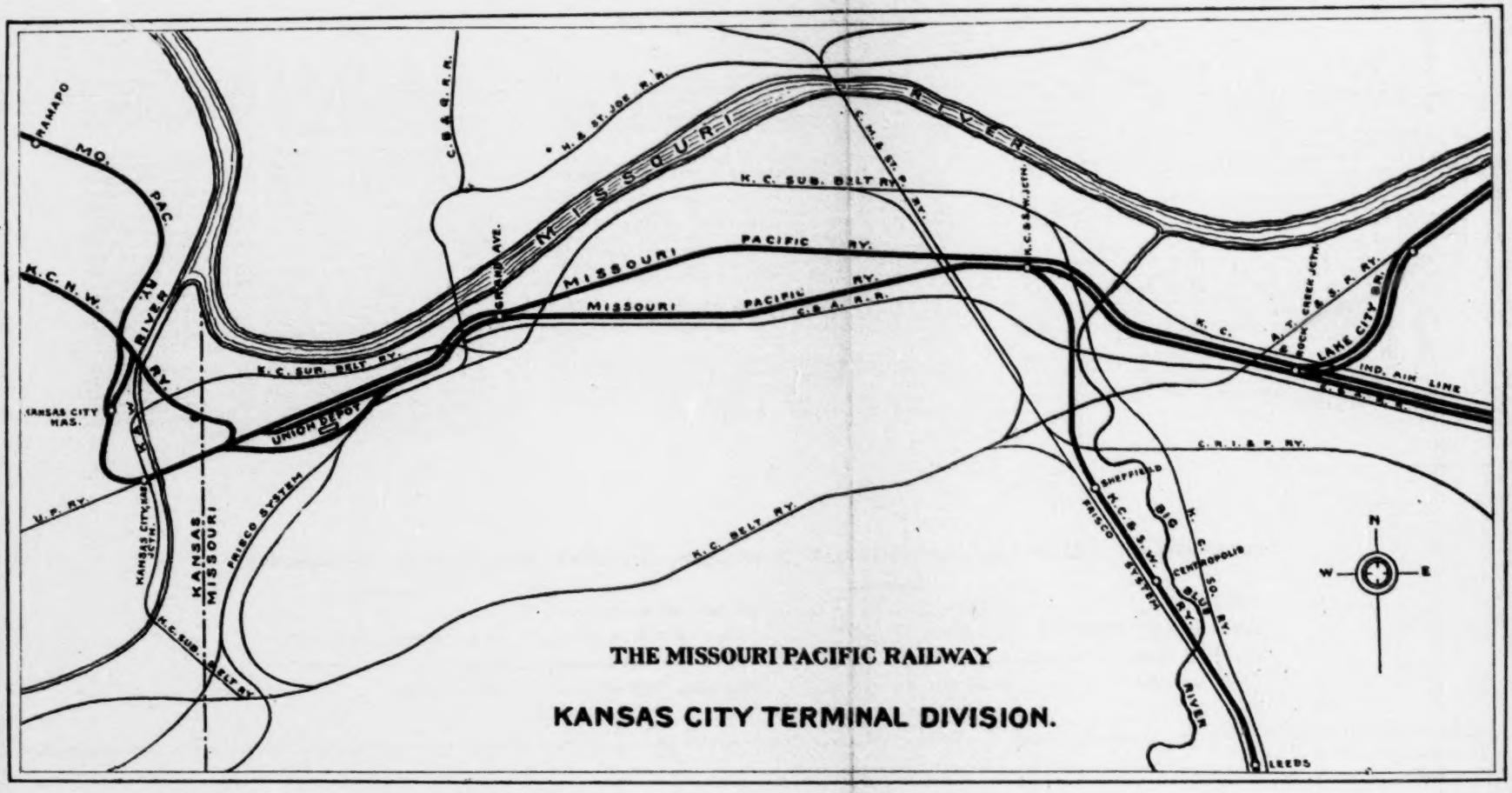
7. When persons are injured by an accident which may have been caused by defective appliances, tools or machinery, the car or appliance, tool or machinery must be immediately examined by the person in charge to ascertain its condition, and report made of the inspection on Form 153-Rev., giving the numbers and initials of cars examined, with names, occupation and address of the persons making the inspection. This inspection must be made before the car or engine leaves the place where the accident occurred, and afterwards at the first district terminal by the inspector, foreman or Master Mechanic at such point, the Superintendent of the Division to notify such person of the necessity of making such examination. When an accident is caused by the breaking of machinery, tools, appliances or rails, the broken parts must be so marked as to be readily identified and immediately turned over to the Superintendent of the Division.

8. This Company will not recognize any responsibility for board, medicine, nursing or surgical attention, except for the emergency service required under Rules 1 and 2, unless authorized by the Superintendent of the Division, Claim Agent, or a general officer of the Company, and when so authorized the Chief Surgeon should at once be notified.

LOCATION OF HOSPITAL, EMERGENCY STATIONS, DIVISION AND LOCAL SURGEONS.

NAME.	LOCATION.	OFFICE.	RESIDENCE.
HOSPITAL	St. Louis	California and Eads Avenues	
EMERGENCY STATION	Kansas City, Mo	706 and 708 West 10th Street	706 and 708 West 10th Street.
Dr. Geo. F. Hamel, Div. Surgeon	Kansas City, Mo	706 and 708 West 10th Street	706 and 708 West 10th Street.
Dr. H. A. Longan	Kansas City, Mo	300 Hewson Building	3600 Main Street.

DR. W. B. OUTTEN, Chief Surgeon,
ST. LOUIS, MO.



THE MISSOURI PACIFIC RAILWAY

KANSAS CITY TERMINAL DIVISION.

The Missouri Pacific Railw

LEASED, OPERATED AND INDEPENDENT LINES

EASTERN DIVIS

Kirkwood and Rock Creek Junction; Cole Junction and Eton; Marshall Junctio ll; Jefferso
Warsaw; Sedalia and Myrick; Lake City tion and In

TIME TAB No.

TAKING EFFECT AT 12:01 A. SUNDAY,

Superseding Time Table No. 6, Dated D 10, 1905, and all

FOR THE INFORMATION AN NMENT OF EMPLO

THE COMPANY RESERVES THE RIGHT TO VARY THEREFROM AS CIRCUMSTAN

CENTRAL STANDARD TIME.

C. S. CLARKE.	A. W. SULLIVAN.	J. W. HIGGINS,	E. A. GOULD.
Vice-President.	General Manager.	Assistant General Manager.	General Superintendent.
ST. LOUIS, MO.	ST. LOUIS, MO.	ST. LOUIS, MO.	KANSAS CITY,

R. P. STUDLEY & CO., ST. LOUIS.

Pacific Railway Company,

2553

OPERATED AND INDEPENDENT LINES

RN DIVISION

shall unctio il; Jefferson City and Bagnell; Versailles and Boonville; Sedalia and
d Myrick; Lake City tion and Independence.

E TAB E No. 7

01 A. SUNDAY, AUGUST 12, 1906.

6, Dated D 10, 1905, and all Supplements thereto.

TION AN NMENT OF EMPLOYES ONLY.

HT TO VARY THEREFROM AS CIRCUMSTANCES MAY REQUIRE.

CENTRAL STANDARD TIME.

S,	E. A. GOULD.	W. J. McKEE.	T. E. BYRNES,
ral Manager,	General Superintendent,	Superintendent,	Superintendent of Transportation,
ST. LOUIS, MO.	KANSAS CITY, MO.	SEDALIA, MO.	ST. LOUIS, MO.

R. P. STUDLEY & CO., ST. LOUIS.

FREIGHT TRAINS—WEST BOUND.

THIRD CLASS.				SECOND CLASS.							
93 Local Freight.	91 Local Freight.			77 Joplin Div. Red Ball.	73 Kansas City and St. Joe Red Ball.	71 District Freight.	55 Omaha Red Ball.	51 Colorado Red Ball.	Station Numbers.	Distance from St. Louis.	TIME TABLE No. 7. Taking Effect August 12, 1906. STATIONS.
Daily Ex. Sunday.	Daily Ex. Sunday.			Daily.	Daily.	Daily.	Daily.	Daily.			
	Lv 8.05			Lv 8.15	Lv 3.05	Lv 9.25	Lv 6.50	Lv 6.40			ST. LOUIS UNION STATION 0.00
	9.05			9.00	3.47	10.10 / 10.30	7.30	7.20	12	13.50	KIRKWOOD 3.00
	9.18								14	16.50	BARRETT'S 2.40
	9.38			9.12	4.11	10.51	7.45	7.35	15	18.90	VALLEY PARK 3.40
	10.05			9.19	4.21	11.03	7.54	7.43	A16	22.30	CASTLEWOOD 1.90
	10.15			9.28	4.27	11.10	7.59	7.48	17	24.20	SHERMAN 1.70
	10.23			9.27	4.37	11.15	8.04	7.53	18	25.90	YEATMAN 0.60
	10.28			9.29	4.41	11.17	8.06	7.54	19	26.50	GLENNON 3.40
	10.42			9.35	4.52	11.27	8.15	8.02	20	29.90	EUREKA 2.50
	10.54			9.40	5.05	11.37	8.22	8.08	21	32.40	ALLENTON 4.40
Lv 7.25	Ar 11.15			9.56	5.17	11.50	8.38	8.18	22	36.80	PACIFIC W 4.20
7.45				10.13	5.27	12.06	8.44	8.29	24	41.00	GRAY'S SUMMIT 3.50
8.00				10.23	5.37	12.18	8.53	8.37	25	44.50	LABADIE 3.10
8.15				10.31	5.45	12.30	9.00	8.45	26	47.60	BOLES 4.40
8.48				10.43	5.57	12.47	9.10	8.56	27	52.00	SOUTH POINT 2.40
8.56 / 9.40				10.50	6.03	12.55	9.22	9.02	28	54.40	WASHINGTON W 4.00
9.55				11.01	6.13	1.10	9.33	9.18	B28	58.40	DEWEY 3.50
10.06									29	61.90	DUNDEE 0.50
10.10				11.12	6.23	1.24	9.42	9.29	A29	62.25	KENT 2.85
10.32				11.20	6.32	1.36	9.50	9.37	B29	65.10	FRAY 1.80
10.52				11.30	6.35	1.40	9.53	9.40	30	66.90	NEW HAVEN 3.60
11.25				11.39	6.45	1.53	10.01	9.49	31	70.50	STAH W 4.80
11.50				11.48	6.57	2.14 / 2.33	10.12	10.00	32	74.30	BERGER 6.00
12.23				11.58	7.14	2.45	10.37	10.18	33	80.30	HERMANN 7.50
1.05				12.15	7.35	2.58	11.10	10.50	34	88.20	GASCONADE W 4.20
1.35 / 2.00				12.27	7.47	3.06	11.21	11.09	35	92.50	MORRISON 3.80
2.20				12.39	8.05	3.19	11.30	11.18	A35	96.80	PORTAGE 3.60
2.36				12.48	8.18	3.33	11.39	11.26	36	99.90	CHAMOIS W 5.00
3.06				1.02	8.34	3.49	11.51	11.37	37	104.90	ST. AUBERT 3.90
3.25									38	108.80	HELL 3.80
3.45				1.37	8.57	4.15	12.08	11.55	39	112.60	BONNOT'S MILL 4.30
4.00				2.02	9.11	4.35	12.20	12.06	40	116.90	OSAGE W 3.10
4.25				2.13	9.20	4.45	12.27	12.13	41	120.00	EWING'S 4.90
Ar 4.55				Ar 2.35	Lv 9.35	Ar 5.10	Lv 12.40	Ar 12.35	42	124.90	JEFFERSON CITY W
Daily Ex. Sunday.	Daily Ex. Sunday.			Daily.	Daily.	Daily.	Daily.	Daily.			
93	91			77	73	71	55	51			
9.20	8.10			6.20	6.20	7.45	5.50	5.45			(124.90)

SPECIAL INSTRUCTIONS.

A 1. **Between St. Louis and Kirkwood trains will be governed by St. Louis Terminal time table.**

A 2. **All East-bound Trains are Superior to Trains of the same class in the opposite direction, except Train No. 7.**

A 3. **Train No. 7 is superior to all other trains. Other first class trains must take siding at meeting and passing points and clear the time of Train No. 7 at least five (5) minutes. All other trains and yard engines, ten (10) minutes.**

A 4. **East-bound trains will take siding at schedule meeting points as follows:**

Train No. 22 at Washington for train No. 5.

A 5. Train Registers—Kirkwood, Pacific and Washington telegraph offices for trains originating or terminating at those stations, Jefferson City Passenger Depot for passenger trains, Train Dispatcher's office for freight trains and Woodlawn switch house (end of double track) for east-bound trains.

The following trains may register at stations named below by register ticket, Form 319:

Woodlawn—All east-bound trains.

West-bound trains whose rights are affected by over-due east-bound trains, will stop at Woodlawn and examine register. The fact that an over-due east-bound train is met on the double track after

H. N. BARKER, Chief Dispatcher,

DISTRICT—KIRKWOOD TO JEFFERSON CITY.

61 Colorado Ltd Tab.	Station Numbers.	Distance from St. Louis.	TIME TABLE No. 7. Taking Effect August 12, 1906.	Miles between Stations.	Passenger Trains—West Bound. First Class. 1 Jefferson and St. Joe Special.	3 Colorado Express.	5 Kansas City Express.	7 Fast Mail.	9 St. Joe Limited.	21 Local Passenger.	23 Washington Accommodation.
Daily.			STATIONS.		Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily Ex. Sunday.
Lv 6.40 PS			ST. LOUIS UNION STATION 0.00		Lv 9.00 M	Lv 10.10 PS	Lv 1.55 PS	Lv 2.20 M	Lv 8.10 PS	Lv 7.15 M	Lv 5.25 PS
			ST. LOUIS 23rd ST.								
7.20 PS	13	13.50	KIRKWOOD T C 3.00		9.29 M	a 10.42 PS 4	2.20 PS	2.41 M	8.41 PS	a 7.45 M	a 6.10 PS
	14	16.50	BARRETT'S C 2.40							a 7.52	a 6.18
7.35	15	18.90	VALLEY PARK W C 3.40	97	9.38 PS	10.51	2.29 PS	2.48 PS	8.51	a 7.57	a 6.25
7.45	A16	22.30	CASTLEWOOD 1.90	40	9.43	10.57	2.35	2.52	8.57	f 8.05	f 6.32
7.48	17	24.20	SHERMAN C 1.70	70	9.46	10.59 PS	2.35	2.55	9.00	a 8.08	a 6.36
7.52	18	25.90	TRATMAN 0.80	50	9.48 PS	11.02	2.37	2.58	9.03	8.12	f 6.38
7.54	19	26.50	GLENDOR C 3.40		9.50	11.03	2.39	2.59	9.04	a 8.13	a 6.40
8.02	20	29.90	EUREKA C 2.50	59	9.55	11.07	2.43	3.04 PS	9.10	a 8.20	a 6.47
8.06	21	32.40	ALLENTON C 4.40	62	9.58	11.12	2.46	3.07	9.14	a 8.25	a 6.52
8.18	23	36.80	PACIFIC W C 4.20	106	a 10.06	a 11.18	2.51	3.13	m 9.22	a 8.33	a 7.06
8.29	24	41.00	GRAY'S SUMMIT C 3.50	63	10.12	11.30	2.57	3.20	9.33 PS	a 8.43 PS	a 7.15
8.37 PS	25	44.50	LABADIE C 3.10	71	10.18 PS	11.37	3.01	3.24	9.39	a 8.50	a 7.22
8.45	26	47.60	DOLDE C 4.40	85	10.22	11.43	3.05	3.29	9.44	a 8.55	a 7.29
8.56	27	52.00	SOUTH POINT 2.40	88	10.28	11.49	3.11	3.35	9.52	f 9.05	a 7.38
9.09	28	54.40	WASHINGTON W C T 4.00	156	a 10.38	a 11.58	a 3.15 25	3.39	a 9.57	a 9.10 M	Ar 7.45 PS
9.18 4	B28	58.40	DEWEY 3.60	64	10.40 M	12.01 PS	3.22	3.44	10.03	9.18	
	29	61.00	DUNDER C 0.30							a 9.25	
9.29	A29	62.95	KENT 2.85	61	10.46	12.07	3.30	3.50	10.09	9.27	
9.37	B29	65.10	FRAY 1.90	98	10.50	12.13	3.36	3.55	10.15	9.33	
9.40	30	66.00	NEW HAVEN C 3.00	70	10.52 M	a 12.15	3.39	3.57	10.17	a 9.36 M	
9.49	31	70.50	ETHAN W C 4.50	88	10.57	12.23	3.45	4.02	10.22	a 9.43	
10.00	32	74.00	BERGER C 3.50	64	11.02	12.30	3.54	4.09	10.28	a 9.52	
10.15 M	33	80.80	HERMANN C 7.80	56	a 11.13	a 12.40 PS	4.03	4.16	m 10.37 M	a 10.04	
10.50	34	88.80	GASCONADE W C 4.20	77	11.22	12.53	4.15	4.28	10.50 M	a 10.20	
11.09	35	93.50	MORRISON C 3.60	41	11.28	1.01	4.22	4.34 M	10.58	a 10.28	
11.18 PS	A35	96.80	PORTAGE 3.60	65	11.35	1.07	4.29	4.40	11.04 PS	10.37	
11.26	36	99.90	CHAMOIS W C 5.00	180	11.40	a 1.14	4.34	4.45	11.08	a 10.43	
11.37	37	104.90	ST. AUBERT C 3.50	65	11.47	1.22	4.40 PS	4.53 M	11.17	a 10.53	
	38	108.40	HELL C 3.50							a 11.02	
11.55	39	112.00	BONNOTT'S MILL C 4.60	81	11.59	1.37 PS	4.52	5.06 M	11.30	a 11.10	
12.06 M	40	116.90	OSAGE W C 3.10	71	12.07 PS	1.45	4.58	5.11	11.37	a 11.20	
12.13	41	120.00	EWING'S 4.90	56	12.13	1.50	5.02	5.15	11.42	f 11.26	
Ar 12.26 M	42	124.90	JEFFERSON CITY W C T		Ar 12.28 PS 2	Ar 2.00 M	Ar 5.10 PS 7	Ar 5.28 M	Ar 11.50 PS	Ar 11.35 M	
Daily.					Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily Ex. Sunday.
51			(124.90)		1	3	5	7	9	21	23
5 45					8.35	8.50	3.15	3.05	3.40	4.30	2.20

SPECIAL INSTRUCTIONS.

take sid-points as

gton for

acific and ins originat-s, Jefferson rains, Train

Dispatcher's office for freight trains and Woodlawn switch house (end of double track) for east-bound trains.

The following trains may register at stations named below by register ticket, Form 319:

Woodlawn—All east-bound trains.

West-bound trains whose rights are affected by over-due east-bound trains, will stop at Woodlawn and examine register. The fact that an over-due east-bound train is met on the double track after west-bound train has left St. Louis, will not relieve west-bound train from checking that train's register at Woodlawn.

A 6. Standard Clocks.—St. Louis Union Station telegraph office in Station Shed. Telegraph office, 23rd Street. Jefferson City, Passenger Depot, and Train Dispatcher's Office.

A 7. Bulletin Boards.—St. Louis (Telegraph Office, 23rd Street), and Round House. And at Jefferson City, Yard Master's Office.

A 8. Water Stations.—Valley Park, Pacific, Washington, Elsah, Gasconade, Chamois, Osage, Jefferson City. Regular water stations for passenger trains are Pacific, Washington, Gasconade, Chamois and Jefferson City.

A 9. Coal Stations.—Washington, Jefferson City.

A 10. Trains Nos. 22 and 23 will carry passengers between Pacific and Jefferson City, stopping caboose at station platform.

A 11. Any class of engines used on the system may be run on St. Louis District.

A 12. Trains Nos. 21 and 23 will stop on signal at Ridge Farm, mile post 20.07 and Fern Glen, mile post 21.00.

S. B. BUNCH, Train Master.

ST. LOUIS DISTRICT—JEFFERSON CITY TO KIR

PASSENGER TRAINS—EAST BOUND.

FIRST CLASS.

	34 St. Louis Accommodation.	22 Local Passenger.	10 St. Louis Limited.	8 St. Louis Express.	6 St. Louis Passenger.	4 St. Louis Mail and Express.	2 St. Louis Special.
	Daily Ex. Sunday.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.
	STATIONS.						
	ST. LOUIS UNION STATION. 0.00						
	ST. LOUIS 23RD ST.						
	Lv 7.45 AM	Lv 5.50 PM	Lv 7.20 AM	Lv 7.10 AM	Lv 4.50 PM	Lv 11.15 PM	Lv 6.01 PM
	7.07 AM	s 5.10 PM	6.49 AM	d 6.34 AM	4.20 PM	d 10.42 PM	5.30 PM
12	KIRKWOOD T 5.00						
14	BARRETT'S 2.40	s 5.09					
15	VALLEY PARK W 3.40	s 4.55	6.36	6.21	4.11	10.31	5.22
A16	CASTLEWOOD 1.90	f 4.48	6.32	6.14	4.06	10.24	5.18
17	SHERMAN 1.70	s 4.42	6.30	6.10	4.02	10.21	5.16
18	YEATMAN 0.60	f 4.37	6.28	6.07	4.00	10.18	5.14
19	GLENCOE 3.40	s 4.35	6.27	6.05	3.58	10.17	5.12
20	EUREKA 2.50	s 4.29	6.21	5.59	3.53	10.10	5.08
21	ALLENTON 4.40	s 4.21	6.17	5.53	3.50	10.06	5.06
23	PACIFIC W 4.20	s 4.10	6.09	s 5.43	s 3.42	s 9.58	s 4.58
24	GRAY'S SUMMIT 3.50	s 3.59	6.00	5.34	3.36	9.48	4.49
28	LABADIE 3.10	s 3.50	5.53	5.27	3.30	9.39	4.41
26	BOLES 6.40	s 3.42	5.49	5.20	3.25	9.33	4.37
27	SOUTH POINT 2.40	f 3.31	5.43	5.10	3.19	9.26	4.32
26	WASHINGTON W C T 4.00	Lv 3.25 / 3.06	s 5.40	s 5.06	s 3.15	s 9.22	s 4.28
B28	DEWEY 3.50	2.50	5.33	4.55	3.08	9.15	4.20
29	DUNDEE 0.85	s 2.46					
A29	KENT 2.95	2.42	5.27	4.45	2.58	9.07	4.13
B29	FRAY 1.80	2.37	5.22	4.39	2.51	9.01	4.08
30	NEW HAVEN 3.60	s 2.26	5.20	s 4.32	2.49	s 8.59	4.06
31	ETLAH W 4.30	s 2.25	5.14	4.30	2.41	8.53	4.00
32	BERGER 6.00	s 2.14	5.07	4.08	2.33	8.45	3.54
33	HERMANN 7.50	s 2.08	o 4.56	s 3.53	2.20	s 8.34	3.44
34	GASCONADE W 4.20	s 1.48	4.42	3.40	2.07	s 8.20	3.32
35	MORRISON 3.80	s 1.32	4.34	3.32	2.00	s 8.12	3.26
A35	PORTAGE 3.80	1.26	4.28	3.26	1.53	8.06	3.19
36	CHAMOIS W 5.00	s 1.19	4.18	s 3.20	1.47	s 8.00	3.14
37	ST. AUBERT 3.90	s 1.07	4.11	3.11	1.37	7.50	3.06
38	MERILL 3.80	s 12.58					
39	BONNOT'S MILL 4.30	s 12.51	3.58	2.56	1.26	s 7.37	2.54
40	OSAGE W 3.10	s 12.42	3.52	s 2.51	1.17	s 7.29	2.47
41	EWING'S 4.90	f 12.34	3.46	2.44	1.12	7.22	2.42
42	JEFFERSON CITY W C T	Lv 12.28 PM	Lv 3.40 AM	Lv 2.35 AM	Lv 1.08 PM	Lv 7.15 PM	Lv 2.35 PM
		Daily Ex. Sunday.	Daily.	Daily.	Daily.	Daily.	Daily.
		34	22	10	8	6	4	2
		1.58	5.35	3.40	4.35	3.45	4.00	3.26

Station Numbers.	TIME TABLE No. 7. Taking Effect August 12, 1906.	Distance from Zero Point.	SECOND CLAS 56 St. Louis Fruit Mail.	58 St. Louis Mail Rail.	64 St. Lo Steel Mail Rail.
	STATIONS.		Daily.	Daily.	Daily.
	ST. LOUIS UNION STATION. 0.00				
	ST. LOUIS 23RD ST.		Lv 4.00 AM	Lv 11.15 AM	Lv 4.40
12	KIRKWOOD T 5.00	269.95	3.20 AM	10.35 AM	5.55
14	BARRETT'S 2.40	266.95			
15	VALLEY PARK W 3.40	264.55	2.48	10.17	5.38
A16	CASTLEWOOD 1.90	261.15	2.30	10.05	5.29
17	SHERMAN 1.70	259.25	2.22	9.58	5.23
18	YEATMAN 0.60	257.55	2.14	9.48	5.18
19	GLENCOE 3.40	256.95	2.12	9.41	5.16
20	EUREKA 2.50	253.55	2.00	9.27	5.04
21	ALLENTON 4.40	251.05	1.50	9.17	4.49
23	PACIFIC W 4.20	246.65	1.32	9.00	4.40
24	GRAY'S SUMMIT 3.50	242.45	1.15	8.43	4.29
28	LABADIE 3.10	238.95	1.02	8.26	4.20
26	BOLES 6.40	235.85	12.48	8.15	4.12
27	SOUTH POINT 2.40	231.45	12.31	8.00	4.02
28	WASHINGTON W C T 4.00	229.05	12.20	7.52	3.56
B28	DEWEY 3.50	225.05	12.01 AM	7.38	3.46
29	DUNDEE 0.85	221.55			
A29	KENT 2.95	221.20	11.45	7.25	3.36
B29	FRAY 1.80	218.25	11.34	7.14	3.27
30	NEW HAVEN 3.60	216.45	11.30	7.09	3.24
31	ETLAH W 4.30	212.85	11.17	6.57	3.15
32	BERGER 6.00	208.55	11.09	6.40	3.05
33	HERMANN 7.50	202.55	8.27 / 8.16	6.20	12.40 AM
34	GASCONADE W 4.20	195.15	9.50	5.55	12.15 AM
35	MORRISON 3.80	190.95	9.41	5.40	11.50
A35	PORTAGE 3.80	187.15	9.32	5.28	11.30 / 11.04
36	CHAMOIS W 5.00	183.35	9.25	5.15	10.50
37	ST. AUBERT 3.90	178.35	9.13	4.53	10.36
38	MERILL 3.80	174.45			
39	BONNOT'S MILL 4.30	170.65	8.57	4.16	10.13
40	OSAGE W 3.10	166.35	8.45	3.52	10.00
41	EWING'S 4.90	163.45	8.36	3.33	9.50
42	JEFFERSON CITY W C T	158.55	Lv 8.20 PM	Lv 3.20 AM	Lv 9.35 PM
		(124.90)	Daily.	Daily.	Daily.
			56	58	64
			7.40	7.55	7.05

A 13. Trains Nos. 33 and 34 will stop on signal at Rose Hill, mile post 14.00, first road crossing east of East Tunnel, mile post 16.27, Ridge Farm, mile post 20.07, Fern Glen, mile post 21.00, Terrace, mile post 28.00, Dozier and Drake.

A 14. Operators at train-order offices between Kirkwood and Washington will not be required to use the train-order signal to space trains apart, as required by Rule 534. (See Rule 91). Trains will be governed by the indications of the automatic block signals. Should a block signal be out of service for any reason, notice of the same will be given train-orders offices, and on receipt of such notice operators will use the train-order signal to space trains apart, as required by the rule above referred to, until the block signal is again put into service.

A 15. Train No. 10 will reduce speed passing Hermann and Trains Nos. 7 and 8 will reduce speed passing Pacific and Hermann for dispatch of U. S. Mail. Westbound freight trains will not exceed speed of 25 miles per hour between Kirkwood and Valley Park and between Grays Summit and Labadie. East-bound freight trains will not exceed speed of 25 miles per hour between Grays Summit and Pacific. Passenger trains in either direction will not exceed speed of 30 miles per hour through tunnels at Barretts, Dundee and Moreau. Passenger trains will reduce speed to 25 miles per hour and freight trains to 15 miles per hour passing over Bridge 21 (Gasconade River.)

A 18. Draw Bridges. Following will govern interlocking signals at Osage River Bridge:

Distant signal 1200 feet from the home signal on the right-hand side of the track with the yellow forked semaphore arm pointing to the right of the post as seen from approaching trains, control the approach of trains to the home signal.

The arm inclined at an angle of 60 degrees, or a green light by night, indicates that the home signal is "proceed."

The arm in a horizontal position at right angle to the post by day, or a yellow light by night, indicates that the train must approach the home signal prepared to stop before passing it if found in "stop" position.

The arm inclined at an angle of 60 degrees days, or green light by night, indicates track over the bridge is unobstructed, and that trains may proceed at a speed not in excess of 15

The arm in horiz by day, or red light

If after coming t nals are out of orde "all right signal" flag from the bridg limits carefully in c knowing that the line.

Absence of hom signal.

H. N. BARKER, Chief Dispatcher, Jefferson City.

—JEFFERSON CITY TO KIRKWOOD.

TIME TABLE No. 7. Taking Effect Sept 12, 1906.	Distance from St. Louis	FREIGHT TRAINS—EAST BOUND. SECOND CLASS.			THIRD CLASS.			
		56 St. Louis Fruit Mail.	58 St. Louis 2nd Sail.	64 St. Louis Fruit and 2nd Sail.	92 Ordinary Freight.	94 Ordinary Freight.	90 Local Freight.	92 Local Freight.
STATIONS.		Daily.	Daily.	Daily.	Daily.	Daily.	Daily Ex. Sunday.	Daily Ex. Sunday.
ST. LOUIS UNION STATION. 0.00								
LOUIS 23rd ST.		Ar 4.00 AB	Ar 11.15 AB	Ar 4.40 AB	Ar 2.15 PB	Ar 12.40 AB	Ar 4.45 PB	
KIRKWOOD T 3.00	283.95	3.20 AB	10.35 AB 71	3.55 AB	1.30 PB	11.50 PB	s 3.20 PB	
BARRETT'S 2.40	286.95						3.00	
VALLEY PARK W 3.40	284.55	2.48 7	10.17	3.36	1.07	11.26	s 2.40 2.00	
CASTLEWOOD 1.90	281.15	2.30	10.08 31	3.29	12.52	11.10	f 1.42	
SHERMAN 1.70	279.25	2.22	9.58	3.23	12.45	10.59 3	s 1.32	
STRATMAN 0.60	277.55	2.14	9.48 1	3.15	12.36	10.46	f 1.24	
GLENCOE 3.40	276.95	2.12	9.41	3.16	12.34	10.44	s 1.20	
EUREKA 2.50	273.55	2.00	9.27	3.04 7	12.20	10.30	s 1.06	
ALLENTON 4.40	271.05	1.50	9.17	2.49	12.09 78	10.18	s 12.49	
PACIFIC W 4.20	266.65	1.32	9.00	2.40	11.50 71	9.58 4 77	Lv 12.30 PB	Ar 11.30 AB
MAY'S SUMMIT 2.50	262.45	1.15	8.43 31	2.29	11.37	9.33 9		s 10.52
LABADIE 3.10	259.95	1.02	8.25	2.20	11.25	9.53 55 9.37 51		s 10.19 1
BOLES 4.40	256.85	12.46	8.15 33	2.12	11.17	8.21		s 9.53
SOUTH POINT 3.40	251.45	12.31	8.00	2.09	11.03	8.07		s 9.25
WASHINGTON W CT 4.00	250.05	12.20	7.52	1.58	10.55	8.00		s 9.10 31 38
DEWEY 3.60	246.05	12.01 AB 5	7.33	1.46	10.40 1	7.40		8.48
DUNDEE 0.35	242.45							s 8.34
KENT 2.85	242.10	11.48	7.25	1.36	10.10 98	7.21		8.31
FRAY 1.60	239.25	11.34	7.14	1.27	9.45	7.07		8.18
NEW HAVEN 3.60	237.65	11.30 77	7.09	1.24	9.36 21	7.01		s 8.12
ATLAS W 4.30	234.05	11.17	6.57	1.15	9.17	6.45 78		s 7.58
BERGER 6.00	229.75	11.02	6.40	1.05	9.02	6.30		s 7.40
HERMANN 7.60	223.75	10.57 9 51 11.16 55	6.20	12.40 9	8.43	6.08		s 7.18
CANCONADE W 4.20	216.15	10.50	5.55	12.18 AB 77	8.17	5.40		s 6.45
MORRISON 3.60	211.95	10.41	5.40	11.50	8.02	5.27		s 6.27
PORTAGE 3.60	207.15	10.32	5.28	11.30 31 11.04 36 P	7.50	5.12		f 6.10
CHAMOIS W 5.00	203.55	10.26	5.16	10.50	7.37	5.00		s 5.56
ST. AUBERT 3.90	198.55	10.18	4.53 7	10.36	7.21	4.40 3		s 5.35
MERILL 3.60	194.65							s 5.20
KNOT'S MILL 4.30	190.95	9.57 78	4.18	10.13	6.56	4.15 71		s 5.05 7
OSAGE W 3.10	186.65	9.45	3.52 10	10.00	6.41	4.00 98		s 4.35
EWING'S 4.90	183.45	9.36	3.33	9.50	6.30	3.40		f 4.20
JEFFERSON CITY W CT	178.55	Lv 9.20 78	Lv 3.20 AB	Lv 9.35 PB 75	Lv 6.15 AB	Lv 3.25 PB		Lv 4.00 AB
		Daily.	Daily.	Daily.	Daily.	Daily.	Daily Ex. Sunday.	Daily Ex. Sunday.
(194.90)		56	58	64	92	94	90	92
		7.40	7.55	7.05	8.00	8.15	4.15	7.30

Shore arm pointing to the right of the post as seen from approaching trains, control the approach of trains to the home signal.

The arm inclined at an angle of 60 degrees, or a green light by night, indicates that the home signal is "proceed."

The arm in a horizontal position at right angle to the post by day, or a yellow light by night, indicates that the train must approach the home signal prepared to stop before passing it if found in "stop" position.

The arm inclined at an angle of 60 degrees days, or a green light by night, indicates track over the bridge is obstructed, and that trains may proceed at a speed not in excess of 15 miles per hour.

The arm in horizontal position at right angles to post by day, or red light by night, indicates "stop."

If after coming to a stop it is found that the signals are out of order, trains can proceed by receiving an "all right signal" with a green hand lantern or green flag from the bridge tender on duty, or flag through the limits carefully in case the bridge tender is not on duty, knowing that the draw-span is properly set for main line.

Absence of home signal will be regarded as a "stop" signal.

A 17. Second and inferior class trains and extras, must run carefully through yard limits at Pacific and Jefferson City. In case of accident, responsibility rests with approaching train. Following sections of first class trains must also run carefully through yard limits at Pacific and Jefferson City.

Pacific yard extends from mile post 36 east of Pacific passenger depot to 1000 feet west of mile post 37.

Jefferson City yard extends from mile post 124 east of Jefferson City passenger depot to mile post 126 west.

Business Tracks not shown as Stations on Time Table.

NAME.	Station Numbers.	Distances from St. Louis.	Car Capacity.
Drake, ...	16	21.40	53
Dozier, ...	22	34.30	6

S. B. BUNCH, Train Master, Jefferson City.

SEDALIA DISTRICT—JEFFERSON CITY TO ROCK

FREIGHT TRAINS—WEST BOUND.

THIRD CLASS.		SECOND CLASS.								Mile Posts.	Distances from St. Louis.	TIME TABLE No. 7. Taking Effect August 12, 1906.	Rolling Capacity in Cars.				
97 Local Freight.	95 Local Freight.	253 Kansas Ext. Rail.	251 Joplin Short.	77 Joplin Bridges Ext. Rail.	73 Kansas City and St. Joe Ext. Rail.	61 Kansas City Short.	55 Omaha Ext. Rail.	51 Colorado Ext. Rail.					Sunday Trains.	1 Ashburn and St. Joe Special.	3 Colorado Express.	5 Kansas City Express.	7 Fast Mail.
Daily Ex. Sunday.	Daily Ex. Sunday.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.				STATIONS.		Daily.	Daily.	Daily.	Daily.
	Lv 12.38 PM			Lv 3.05 AM	Lv 10.00 PM		Lv 1.05 AM	Lv 12.50 AM		42	124.90	JEFFERSON CITY W & T	Yard	Lv 12.30 PM	Lv 2.05 AM	Lv 5.10 PM	Lv 5.25 AM
	f 12.55			3.27	Ar 10.15 PM		Ar 1.20 AM	Ar 1.05 AM		43	128.91	4.01 COLE JUNCT.	73	12.37	2.13	5.17	5.32
	f 1.05			3.40						44	132.00	3.09 SCOTT	72	12.48	2.19	5.23	5.38
	f 1.20			3.48						45	134.80	2.80 ELSTON	31	12.48	2.25	5.30	5.40
	a 1.40			4.08						46	139.90	5.10 CENTERTOWN	62	1.00	2.35	5.40	5.50
	f 2.05			4.18						A46	144.30	4.40 McGIRK'S	77	1.07	2.42	5.47	5.56
	f 2.17			4.26						B46	146.60	2.30 BRANT	47	1.13	2.46	5.51	5.59
	a 2.29			4.36						47	150.00	3.40 CALIFORNIA W	110	a 1.17	a 2.52	a 5.57	6.08
	a 2.55			4.55						48	156.80	6.80 CLARKSBURG	69	1.29	3.02	6.07	6.12
	a 3.20			5.15						49	162.50	5.70 TIPTON	107	a 1.40	a 3.12	a 6.17	6.30
	f 3.33			5.26						A49	166.05	3.55 DOW	50	1.46	3.18	6.23	6.26
	a 3.40			5.31						50	167.80	1.75 SYRACUSE	67	1.48	3.20	6.25	6.27
	a 4.11			5.55						51	175.40	7.60 OTTERVILLE	68	2.00	3.35	6.38	6.39
	a 4.33			6.22						52	180.80	5.40 SMITHTON	67	2.10	3.45	6.48	6.46
	4.33			6.45							187.41	6.61 M. K. & T. Crossing		2.20	3.55	6.58	6.54
Lv 8.25 AM	Ar 8.00 PM			Ar 6.57 AM		Lv 3.10 PM						0.59					
a 8.50						3.36				54	188.00	7.60 SEDALIA W & T	Yard	a 2.25 2.30	a 4.00 4.05	a 7.00 7.05	a 6.57 7.02
a 9.09						3.55				55	195.30	5.90 DRESDEN	60	2.49	4.17	7.17	7.14
a 9.35						4.23				56	200.50	7.10 LAMONTE W	76	2.50	4.26	7.24	7.21
a 9.48						4.39				57	207.60	3.70 KNOBNOSTER	79	3.00	4.36	7.34	7.32
a 10.17 / 10.45						5.05				58	211.30	6.50 MONTSERRAT	56	3.05	4.44	7.39	7.37
a 11.04						5.25				59	217.80	6.10 WARRENSBURG W	78	a 3.16	a 4.55	a 7.49	7.46
f 11.16						5.45				60	223.90	4.80 CENTREVIEW	67	3.25	5.06	8.00	7.54
a 11.30 / 12.10 AM						6.02				A60	228.20	4.30 DORAN	28	3.31	5.14	8.05	8.00
a 12.40						6.22				61	232.40	4.20 HOLDEN W	63	a 3.40	a 5.21	a 8.12	8.06
a 1.10						7.15				62	237.00	4.60 KINGSVILLE	75	3.47	5.30	8.20	8.12
a 1.55 / 2.25			Lv 4.45 AM	Lv 12.10 AM		7.35 / 8.10				63	242.50	5.50 STRASBURG	45	3.56	5.40	8.29	8.20
f 2.39			4.56	12.40						64	248.50	6.00 PLEASANT HILL W	75	a 4.05	a 5.51	a 8.40	a 8.30
a 2.56			5.06	12.57						A64	251.50	3.00 AVON	68	4.10	5.56	8.48	8.34
a 3.36			5.26	1.22		9.26				65	254.50	3.00 GREENWOOD	74	4.16	6.04	8.53	8.38
a 4.31			5.45	1.53		10.00				66	259.25	4.75 LEE'S SUMMIT	117	4.21	6.13	f 9.01	8.45
f 5.05			6.05	2.22		10.25				67	265.50	6.25 LITTLE BLUE W	51	4.31	6.23	9.10	8.54
a 5.10			6.15	2.31		10.35				A67	271.00	5.50 ELM PARK	41	4.42	6.36	9.20	9.02
										68	272.80	1.80 INDEPENDENCE W (End of Double Track.)	37	a 4.45	a 6.40	9.22	9.05
5.25 PM			6.35 AM	2.47 AM	Lv 7.10 AM	11.25 PM	Lv 10.45 AM	Lv 10.30 AM		69	276.07	3.27 ROCK CREEK JCT.		4.51 PM	6.47 AM	9.30 PM	9.10 AM
										71	283.10	7.03 KANSAS CITY, U. D.		Ar 5.15 PM	Ar 7.10 AM	Ar 9.50 PM	Ar 9.30 AM
Ar 6.00 PM		Ar 7.00 AM	Ar 3.25 AM		Ar 7.50 AM	Ar 11.55 PM	Ar 11.20 AM	Ar 11.05 AM		72	283.45	0.35 KANSAS CITY					
					Ar 1.30 PM							ST. JOE		Ar 8.20 PM			Ar 12.10 PM
							Ar 4.25 AM					OMAHA			Ar 5.35 PM	Ar 6.30 AM	
								Ar 7.20 PM				PUEBLO		Ar 12.15 PM	Ar 8.30 AM		Ar 8.30 AM
Daily Ex. Sunday.	Daily Ex. Sunday.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.						Daily.	Daily.	Daily.	Daily.
97	95	253	251	77	73	61	55	51				(158.55).		1	3	5	7
9.55	4.22	2.15	3.15	3.52	2.50	8.45	10.15	10.15						4.45	5.05	4.40	4.05

A. H. LANDER, Chief Dispatcher, Sedalia.

SPECIAL INSTRUCTIONS.

81. Between Rock Creek Junction and Kansas City, trains will be governed by Kansas City Terminal Time Table.

82 All East Bou... same class in the...

CT—JEFFERSON CITY TO ROCK CREEK JUNCTION.

TABLE
o. 7.
ve Effect
12, 1906.

PASSENGER TRAINS—WEST BOUND.

FIRST CLASS.

TIONS.	Miles Regularly to Stop.	Yard Limits.	1 Quincy and St. Jo Special.	3 Colorado Express.	5 Kansas City Express.	7 Fast Mail.	9 St. Jo Limited.	21 Local Passenger.	27 Kansas City Local.	31 Lexington Local.	37 Kansas City Passenger.	213 Joplin-Kansas City Express.	215 Joplin-Kansas City Local Mail.	217 Joplin-Kansas City Mail.	601 Kansas City Local.	603 Kansas City Passenger.	607 Local Passenger.
			Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily Ex. Sunday.
SON CITY W & Y 0.01	Yard	Lv	12.30 PM	Lv 2.05 AM	Lv 5.10 PM	Lv 5.25 AM	Lv 11.55 PM	Lv 11.45 AM		Lv 1.15 PM	Lv 6.10 AM						
JUNCT. 3.02	73		12.37	2.13 8	5.17	5.32	12.02 AM	a 11.55 22		Ar † 1.22 PM	Ar † 6.20 AM						
OTT 9.80	72		12.43	2.19	5.23	5.38	12.09	a 12.02 PM									
STON 5.10	31		12.48 5	2.25	5.30	5.40	12.15	a 12.08									
RETOWN 4.40	62		1.00	2.35	5.40	5.50	12.25	a 12.18									
GIRK'S 2.80	77		1.07	2.42	5.47	5.56	12.33	a 12.28 6									
RANT 3.40	47		1.13	2.46	5.51	5.59	12.37	12.34									
IFORNIA W 6.80	110	a	1.17	a 2.52 10	a 5.57	6.03	a 12.44	a 12.43									
RKSBURG 6.20	69		1.20	3.02	6.07 4	6.13	12.54	a 1.00									
IPTON 5.45	107	a	1.40 3	a 3.12	a 6.17 204	6.20	f 1.06 8	a 1.14									Lv 11.55 PM 6
DOW 1.75	50		1.46	3.18	6.23	6.25	1.12	1.20									12.05 PM
RACUSE 7.60	67		1.48	3.20	6.25 54	6.27	1.14	a 1.30 3									a 12.08
RVILLE 5.40	68		2.00	3.35	6.38	6.39	1.27	a 1.45									a 12.23
THTON 6.61	87		2.10	3.45	6.48	6.46	1.37	a 1.55									a 12.33
T. Crossing 0.69			2.20	3.55	6.58	6.54	1.49	2.08									12.45
DALIA W & Y 7.20	Yard	a	2.25 2.30	a 4.00 4.05	a 7.00 7.05	a 6.57 77 7.02 204	a 1.50 1.55 10	Ar 2.15 PM	Lv 7.15 AM								Ar 12.30 PM 2
RSDEN 5.20	60		2.42	4.17	7.17	7.14	2.08		a 7.27								
LMONTE W 7.10	76		2.50 28	4.26	f 7.24	7.21	2.17		a 7.36								
ENCASTER 8.70	79		3.00	4.38	f 7.34	7.32	2.30		a 7.50								
TERRAT 6.50	56		3.08 24	4.44	7.39	7.37	2.37		a 7.57								
RENSBURG W 6.10	78	a	3.16	a 4.55	a 7.49	7.46	mp 2.49		a 8.10								
REVIEW 4.80	67		3.25	5.06	8.00 28	7.54	3.00		a 8.22								
ORAN 4.20	28		3.31	5.14	8.05	8.00	3.07		8.30								
OLDEN W 4.60	63	a	3.40 4	a 5.21	a 8.12	8.06	3.15		a 8.38								
GSVILLE 5.50	75		3.47	5.30	8.20	8.12	3.23		a 8.48								
ASBURG 6.00	45		3.56	5.40	8.29	8.20	3.33		a 8.58								
SAINT HILL W 8.00	75	a	4.06	a 5.51	a 8.40 253	a 8.30	a 3.45 3.50 212		a 9.10 26			Lv 7.05 AM	Lv 3.10 PM 6	Lv 12.10 AM 15 251			
VON 3.00	68		4.10	5.58	8.48 216	8.34	4.01		9.19 6			7.11	3.20 254	12.16			
MWOOD 4.75	74		4.15	6.04	8.53 51	8.38 26	4.07		a 9.23			a 7.18	a 3.25	12.22			
SUMMIT 6.26	117		4.21	6.13	f 9.01	8.45	4.17		a 9.34			a 7.30	a 3.38 27	f 12.35			
LE BLUE W 5.50	51		4.31 27 256	6.23	9.10	8.54 6	4.30		a 9.48			a 7.45 26	a 3.53	12.50			
M PARK 1.80	41		4.42	6.36	9.20	9.02	4.41		10.00			7.57	4.07 288	1.04			
PENDENCE W (Double Track) 3.27	37	a	4.48	a 6.40	9.22	9.05	4.45		a 10.05			a 8.02	a 4.13	a 1.08	Lv 7.15 PM 253	Lv 9.10 AM	
CREEK JCT. 7.05			4.51 PM	6.47 AM	9.30 PM	9.10 AM	4.52 AM		10.12 AM		Lv 11.45 AM	8.12 AM	4.24 PM	1.16 AM	7.23 PM	9.16 AM	
S CITY, U. D. 0.96		Ar	5.15 PM	Ar 7.10 AM	Ar 9.50 PM	Ar 9.30 AM	Ar 5.16 AM		Ar 10.35 AM		Ar 12.06 PM	Ar 8.33 AM	Ar 4.45 PM	Ar 1.40 AM	Ar 7.45 PM	Ar 9.40 AM	
AS CITY																	
T. JOE		Ar	8.20 PM			Ar 12.10 PM	Ar 8.10 AM										
MAHA				Ar 5.35 PM	Ar 6.30 AM												
EBLO		Ar	12.15 PM	Ar 8.30 AM		Ar 8.30 AM											
			Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily Ex. Sunday.
58.55).			1	3	5	7	9	21	27	31	37	213	215	217	601	603	607
			4.45	5.05	4.40	4.05	5.20	2.30	3.20	0.07	5.55	1.28	1.35	1.30	0.30	0.30	0.54

VIA RIVER DISTRICT.

SPECIAL INSTRUCTIONS.

Kansas City, trains
inal Time Table.

B2 All East Bound Trains are superior to Trains of the same class in the opposite direction, except Train No. 7.

J. E. SNEDEKER, Train Master,
Sedalia.

SEDALIA DISTRICT—ROCK CREEK JUNCTION TO JEF

PASSENGER TRAINS—EAST BOUND.

FIRST CLASS.

608 Sedalia Local.	604 Local Passenger.	602 Sedalia-St. Louis Passenger.	216 Joplin Local.	214 Kansas City-Joplin Local Mail.	212 Joplin Express.	38 St. Louis Passenger.	32 Jefferson City Local.	28 Sedalia Local.	22 Local Passenger.	10 St. Louis Limited.	8 St. Louis Express.	6 St. Louis Passenger.	4 St. Louis Mail & Express.	2 St. Louis Special.	Points Stations	TIME TAB No. 7. Taking Effe August 12, 1
Daily.	Daily Ex. Sunday.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.		STATIONS.
						Ar 1.30	Ar 12.15		Ar 12.05	Ar 8.35	Ar 2.30	Ar 1.02	Ar 7.00	Ar 2.30	42	JEFFERSON C 4.01
						Lv 1.30	Lv 12.06		f 11.58	3.27	2.13	12.58	6.53	2.24	43	COLE JUNC 3.00
									a 11.40	3.22	2.05	12.51	6.47	2.19	44	SCOTT 2.80
									a 11.43	3.18	2.00	12.48	6.43	2.16	45	ELSTON 5.10
									a 11.33	3.09	1.49	12.37	f 6.35	2.10	46	CENTRETOW 4.40
									a 11.25	3.01	1.40	12.28	6.28	2.05	A46	McGIRK'S 2.30
									11.21	2.57	1.36	12.23	6.24	2.01	B46	BRANT 3.40
									a 11.14	o 2.52	a 1.29	a 12.18	a 6.19	a 1.57	47	CALIFORNI 6.80
									a 11.02	2.42	1.16	12.07	a 6.07	1.48	48	CLARKSBUI 6.20
	Ar 6.10								a 10.50	o 2.32	a 1.06	a 11.56	a 5.55	a 1.40	49	TIPTON 3.55
	5.58								10.42	2.25	12.57	11.49	5.46	1.32	A49	DOW 1.75
	a 5.55								a 10.39	2.23	12.55	11.47	5.43	1.30	50	SYRACUSE 7.60
	a 5.40								a 10.24	2.11	12.41	11.34	5.27	1.18	51	OTTERVILL 5.40
	a 5.30								a 10.15	2.03	12.32	11.23	5.15	1.08	52	SMITHTON 6.61
	5.18								10.02	1.52	12.22	11.12	5.02	12.57		M. K. & T. Cross 0.59
	Lv 5.15							Ar 9.10	Lv 10.00	a 1.50 / 1.35	a 12.20 / 12.15	a 11.10 / 11.05	a 5.00 / 4.55	a 12.55 / 12.50	54	SEDALIA 7.80
								a 8.55		1.33	12.02	f 10.52	4.42	12.37	55	DRESDEN 5.90
								a 8.45		1.25	11.53	f 10.44	4.33	12.28	56	LAMONTE 7.10
								a 8.31		1.14	11.42	a 10.33	4.23	12.17	57	KNOBNOST 5.70
								a 8.24		1.07	11.36	10.27	4.16	12.12	58	MONTSERR 6.50
								a 8.11		op 12.59	a 11.25	a 10.17	a 4.05	a 12.03	59	WARRENSBU 6.10
								a 8.00		12.49	11.14	f 10.07	3.54	11.53	60	CENTREVIE 4.30
								7.49		12.42	11.07	10.00	3.47	11.46	A60	DORAN 4.90
								a 7.39		o 12.35	a 11.00	a 9.53	a 3.40	f 11.40	61	HOLDEN 4.60
								a 7.27		12.29	10.52	a 9.45	3.30	11.34	62	KINGSVILL 5.50
								a 7.18		12.19	10.43	f 9.35	3.20	11.26	63	STRASBURG 6.00
			Ar a 8.55	Ar a 10.57	Ar a 3.45			a 7.00		a 12.10 / 12.01	a 10.33	a 9.25	a 3.10	a 11.18	64	PLEASANT HI 3.00
			8.48	10.50	3.35			6.52		11.56	10.25	9.19	3.03	11.12	A64	AVON 3.00
			a 8.38	a 10.45	3.29			a 6.46		11.51	10.20	9.14	2.58	11.07	65	GREENWOO 4.75
			a 8.30	a 10.37	3.20			a 6.37		11.43	a 10.12	a 9.06	a 2.49	11.00	66	LEE'S SUMM 6.25
			a 8.17	f 10.25	3.09			a 6.25		11.33	10.00	8.54	2.37	10.50	67	LITTLE BLU 5.50
			8.07	10.15	2.58			6.14		11.23	9.49	8.39	2.27	10.40	A67	ELM PARK 1.80
Ar 5.35		Ar 6.10	a 8.02	a 10.12	f 2.55			a 6.10		11.20	a 9.45	a 8.35	a 2.24	10.40	68	INDEPENDEN (End of Double T 9.27
5.27		6.09	7.53	10.03	2.44	Ar 7.20		5.58		11.13	9.33	8.23	2.15	10.26	.69	ROCK CREEK J 7.05
Lv 5.05		Lv 5.40	Ar 7.35	Lv 9.45	Lv 2.25	Lv 7.00		Lv 5.40		Lv 10.55	Lv 9.15	Lv 8.00	Lv 2.00	Lv 10.10	71	KANSAS CITY, 0.35
															72	KANSAS CI
										Lv 8.00			Lv 9.00	Lv 7.20		ST. JOE
												Ar 11.15				OMAHA
											Lv 8.20			Lv 1.30		PUEBLO
Daily.	Daily Ex. Sunday.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.		
608	604	602	216	214	212	38	32	28	22	10	8	6	4	2		(158.55)
0.30	0.55	0.30	1.20	1.12	1.30	6.20	0.07	3.90	2.05	4.40	5.15	5.02	5.00	4.20		

SPECIAL INSTRUCTIONS.

A. H. LANDER, Chief Dispatcher, Sedalia.

83. Train No. 7 is superior to all other trains. Other first class trains must take siding at meeting and passing points and clear the time of Train No. 7 at least five (5) minutes. All other trains and yard engines, ten (10) minutes.

Re District

EK JUNCTION TO JEFFERSON CITY.

TIME TABLE No. 7.
Taking Effect August 12, 1906.

4 St. Louis & Kansas City Express. Daily.	2 St. Louis Special. Daily.	Station Numbers	STATIONS.	Distance from Kansas City.	FREIGHT TRAINS—EAST BOUND. SECOND CLASS. 54 St. Louis Stock and Red Ball. Daily.	56 St. Louis Fruit Manifest. Daily.	58 St. Louis Red Ball. Daily.	64 St. Louis Stock and Red Ball. Daily.	252 Joplin Red Ball. Daily.	254 Memphis Red Ball. Daily.	THIRD CLASS. 94 Local Freight. Daily Ex. Sunday.	96 Local Freight. Daily Ex. Sunday.	296 Joplin Division Local Conv. Daily.
7.00 PM 54	Ar 2.30 PM	42	JEFFERSON CITY $ WCT	158.55	Ar 6.50 PM 4	Ar 7.55 PM	Ar 3.05 AM 17	Ar 9.00 PM			Ar 11.00 AM		
			4.01										
6.53	2.24	43	COLE JUNCT.	154.54	Lv 6.35 PM	Lv 7.40 PM	Lv 2.50 AM	8.45			f 10.45		
			3.00										
6.47	2.19	44	SCOTT	151.45				8.38			f 10.39		
			2.80										
6.43	2.16	45	ELSTON	148.65				8.34			f 10.29		
			5.10										
6.36	2.10	46	CENTERTOWN	143.55				8.09			s 10.09		
			4.40										
6.28	2.05 AM	A46	McGIRK'S	139.15				7.49			f 9.45		
			2.20										
6.24	2.01	B46	BRANT	136.95				7.40			f 9.36		
			3.40										
6.19	s 1.57	47	CALIFORNIA W	133.45				7.28			s 9.23		
			6.20										
6.07 S	1.48	48	CLARKSBURG	127.15				7.05			s 8.58		
			6.20										
5.56	s 1.40 I	49	TIPTON WT	120.95				6.43			s 8.35		
			3.55										
5.46	1.33	A49	DOW	117.40				6.30			f 8.20		
			1.75										
5.43	1.30 M	50	SYRACUSE	115.65				6.25 S			s 8.14		
			7.60										
5.27	1.18	51	OTTERVILLE W	108.05				5.57			s 7.48		
			5.40										
5.15	1.08	52	SMITHTON	102.65				5.45			s 7.28		
			6.61										
5.02	12.57		M. K. & T. Crossing.	96.04				5.32			7.00		
			0.59										
5.00 PM 54 / 4.55 PM 54	s 12.55 / 12.50 M 57	54	SEDALIA $ WCT	95.45	VIA RIVER DISTRICT.	VIA RIVER DISTRICT.	VIA RIVER DISTRICT.	5.30 PM 4 / 4.35 PM 204			Lv 6.57 7 PM 277	Ar 4.20 PM	
			7.80										
4.42	12.37	55	DRESDEN	88.15				4.15				s 3.35 M	
			5.20										
4.33	12.28	56	LAMONTE W	82.95				3.55 M				s 2.50 I	
			7.10										
4.23 M	12.17	57	KNOBNOSTER	75.85				3.35				s 2.07	
			3.70										
4.16	12.12	58	MONTSERRAT	72.15				3.05 I				s 1.48	
			6.50										
4.05	s 12.02 PM	59	WARRENSBURG W	65.65				2.35				s 1.15 / 19.45	
			6.10										
3.54	11.55	60	CENTREVIEW	59.55				2.15				s 12.30	
			4.30										
3.47	11.48	A60	DORAN	55.25				2.03				f 12.20	
			4.20										
3.40 I	f 11.40 AM 57	61	HOLDEN W	51.05				1.50				s 12.10 PM / 1.20 2 PM 97	
			4.50										
3.30	11.34	62	KINGSVILLE	46.45				1.35				s 11.00	
			5.50										
3.20	11.26	63	STRASBURG	40.45				1.19 97				s 10.25	
			6.00										
3.10 215	s 11.18	64	PLEASANT HILL WTC	34.95				1.00 / 12.15	Ar 8.40 PM	Ar 3.35 PM		s 9.45 / 9.10 97	Ar 6.15 PM
			3.00										
3.02	11.12	A64	AVON	31.95				12.05 PM	8.25 M	3.20 215		f 8.52	5.55
			3.00										
2.56 97 / 254	11.07	65	GREENWOOD	28.95				11.57	8.15	2.58 4 97		s 8.32 7	5.40
			4.75										
2.49	11.00	66	LEE'S SUMMIT	24.20				11.44	8.00	2.34		s 8.10	5.10
			6.25										
2.37	10.50	67	LITTLE BLUE W	17.95				11.25	7.40	2.17		s 7.45 215	4.31 1 97
			5.50										
2.27	10.42	A67	ELM PARK	12.45				11.10	7.22	2.01		f 7.17	4.07 215
			1.80										
2.24	10.40	68	INDEPENDENCE W (End of Double Track.)	10.65				11.05	7.15 M	1.56		s 7.10	3.50
			2.27										
2.15 PM	10.36 AM	69	ROCK CREEK JUNCT.	7.38	Ar 8.45 AM	Ar 1.30 PM	Ar 7.30 PM	10.35 AM	6.50 PM	1.40 PM		6.55 AM	3.30 PM
			7.03										
2.00 PM	Lv 10.10 AM	71	KANSAS CITY, U. D.	.35									
			0.35										
		72	KANSAS CITY		Lv 8.15 AM	Lv 1.00 PM	Lv 7.00 PM	Lv 10.10 AM	Lv 6.35 PM	Lv 1.10 PM		Lv 6.30 AM	Lv 3.00 PM
9.00 AM	Lv 7.20 AM		ST. JOE				Lv 2.15 PM						
			OMAHA		Lv 6.30 PM	Lv 7.30 PM	Lv 11.30 PM						
	Lv 1.30 PM		PUEBLO		Lv 2.15 PM								
Daily.	Daily.				Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily Ex. Sunday.	Daily Ex. Sunday.	Daily.
4	2		(158.55)		54	56	58	64	252	254	94	96	296
5.00	4.20				10.35	6.55	8.05	10.50	2.05	2.25	4.05	9.50	8.15

INSTRUCTIONS.

g at meeting and passing ngines, ten (10) minutes.

Remainder of Special Instructions pertaining to Sedalia District, B 4 to B 23, are on Page 10. READ THEM CAREFULLY.

J. E. SNEDEKER, Train Master, Sedalia.

RIVER DISTRICT—BETWEEN COLE JUNCTIO

TRAINS—WEST BOUND.

THIRD CLASS.			SECOND CLASS.			FIRST CLASS.				Miles Between Stations.	Distance from St. Louis.	TIME TABLE No. 7. Taking Effect August 12, 1906.	Distance from Kansas City.	Sitting Capacity in Cars.	
606 Local Freight.	90 Local Freight.		73 Kansas City and St. Jo. Mail.	55 Omaha Mail.	51 Colorado Mail.	603 Kansas City Passenger.	601 Kansas City Local.	37 Kansas City Passenger.	31 Lexington Local.					Passenger Train.	32 Jefferson City Local.
Daily Ex. Sunday.	Daily Ex. Sunday.		Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.						Daily
	Lv 5.35		Lv 10.15	Lv 1.30	Lv 1.20			Lv 6.20	Lv 1.22	45	126.82	COLE JUNCTION	161.77	50	Ar 12.08
	f 5.50		10.29	1.58	1.37			6.29	f 1.30			4.87			f 11.59
	f 6.08		10.40	2.23	1.58			f 6.38	s 1.39	1786	133.75	McKINNEY	156.90	67	
	s 6.25		10.52	2.49	2.10			s 6.47	s 1.48			4.75			s 11.50
	s 7.02		11.10	3.06	2.33			s 7.02	s 2.02	1780	138.62	MARION	152.03	73	
	s 7.49		11.24	3.25	2.50			s 7.12	s 2.12			7.33			s 11.42
	s 8.00		11.35	3.40	3.06			f 7.21	s 2.20	1780	145.97	SANDY HOOK	147.28	68	
	f 8.15		11.50	3.53	3.15			f 7.28	f 2.27			5.58			s 11.29
	s 8.43		12.09	4.14	3.35			s 7.40	s 2.37	1778	150.70	LUPUS W	139.95	61	
	s 9.26		12.37	4.45	4.05			f 7.56	s 2.54			4.27			s 11.18
	s 9.58		1.08	5.10	4.28			s 8.06	s 3.07	1778	156.28	WOOLDRIDGE	134.37	67	
	s 10.18		1.15	5.20	4.38			s 8.12	s 3.13			4.27			s 11.10
	s 10.40		1.35	5.38	4.55			s 8.22	s 3.23	1776	160.55	OVERTON	130.10		
	s 11.25		2.02	6.05	5.19			s 8.35	s 3.37			3.63			s 11.10
	11.45							s 8.44	s 3.47	1774	164.18	ELLIOTT	126.47	66	
	s 12.10		2.02	6.05	5.19			s 8.53	s 3.55			6.18			f 11.04
	f 12.48		2.30	6.38	5.43			f 9.04	f 4.12	96	170.36	BOONVILLE I WY	120.29	50	
	s 1.18		2.50	6.48	6.02			s 9.12	s 4.23			6.60			s 10.52
	s 1.42		3.08	7.06	6.16			s 9.26	s 4.32	1772	179.05	LAMINE	111.60	67	
	s 2.08		3.25	7.20	6.30			s 9.37	s 4.43			7.40			s 10.36
	s 2.40		3.48	7.40	6.50			f 9.52	s 4.54	1769	186.45	BLACKWATER WC	104.20	67	
	s 3.07		4.06	7.57	7.06			f 10.06	s 5.04			2.71			s 10.33
	f 3.27		4.17	8.13	7.16			f 10.12	f 5.12	1768	189.16	NELSON	101.49		
Lv 2.10	Lv 4.20		4.50	8.40	7.50	Lv 7.38	Lv 5.45	s 10.33	Ar 5.30			5.87			s 10.18
s 2.48			5.14	8.57	8.10	s 7.50	s 6.00	s 10.48		1766	194.53	NAPTONVILLE	96.12	60	
f 2.58			5.25	9.06	8.25	s 7.57	s 6.07	f 10.50				7.30			s 10.06
s 3.07			5.32	9.10	8.34	s 8.02	s 6.13	f 10.54		1762	201.83	MARSHALL JUNC Y	88.82	68	
s 3.29			5.46	9.19	8.53	s 8.12	s 6.23	f 11.01				1.92			s 9.55
s 3.40			6.01	9.29	9.10	s 8.22	s 6.33	s 11.07		1762	203.75	MARSHALL	90.74		
s 3.57			6.18	9.40	9.30	s 8.33	s 6.42	s 11.15				1.93			s 9.48
4.00			6.18	9.43	9.33	8.35	6.45	11.17		1762	205.68	MARSHALL JUNC.	88.82	68	
4.35			6.45	10.15	10.00			11.31				7.33			s 9.35
Ar 5.35			Ar 7.50	Ar 11.20	Ar 11.05	Ar 9.40	Ar 7.45	Ar 12.05		1760	209.16	STANHOPE	81.49	67	f 9.25
Daily Ex. Sunday.	Daily Ex. Sunday.		Daily.	Daily.	Daily.	Daily.	Daily.	Daily.	Daily.			5.66			
606	90		73	55	51	603	601	37	31	1758	214.81	MALTA BEND	75.84	67	s 9.12
2.25	10.55		6.20	8.45	8.40	1.00	1.00	5.11	4.08			4.64			
										1757	219.45	GRAND PASS W	71.20	67	s 9.02
												4.62			
										1756	224.07	WAVERLY	66.58	67	s 8.50
												5.80			
										1754	229.97	HODGE	60.68	67	s 8.34
												4.62			
										1752	234.59	DOVER	56.06		s 8.22
												3.36			
										1751	237.92	NORTHRUP	52.73	67	f 8.13
												5.06			
										150	246.87	MYRICK 18 C'I	45.78	110	Lv 7.50
												5.99			
										152	252.86	WELLINGTON	37.79	62	
												2.65			
										151	255.51	WATERLOO	35.14		
												1.33			
										149	257.84	NAPOLEON	32.81	62	
												3.72			
										148	261.06	LEVASY	29.59	68	
												5.04			
										147	264.70	BUCKNER	25.96		
												3.54			
										146	268.24	LAKE CITY W	22.41	66	
												0.72			
											268.35	LAKE CITY JUNCTION.	22.30		
												7.49			
											275.80	ETON A.T.&S.F.Ry.	14.86		
												KANSAS CITY.			
											(148.92)				Daily 32 4.18

SPECIAL INSTRUCTIONS.

C 1. Between Eton and Congo trains will be governed by Atchison, Topeka & Santa Fe Time Table and Rules and between Congo and Kansas City by Kansas City Terminal Time Table.

C 2. All East Bound Trains are superior to trains of the same class in the opposite direction.

C 3. Train Registers—Cole Junction, Myrick and Eton telegraph offices and Marshall Junction and Lake City Junction register boxes.

C 4. Standard Clocks—Myrick telegraph office.

C 5. Bulletin Boards—Myrick telegraph office.

C 6. Water Stations—Lupus, Boonville, Blackwater, Marshall Junction (one-half mile East of Junction switch), Grand Pass, Myrick and Lake City.
Regular water stations for passenger trains are Lupus, Boonville, Blackwater, Grand Pass, Myrick and Lake City.

C 7. Coal Stations—Blackwater and Myrick.

C 8. Trains Nos. 98 and 99 will carry passengers between Cole Junction and Myrick, stopping caboose at station platform.

C 9. Engines not exceeding 86 tons may be run on River District.

C 10. Trains Nos. 31 and 32 will stop at Blosser.

C 11. Trains Nos. 31, 32, 37 and 38 will stop at Coles Crossing, mile post 216.81, to receive and discharge passengers to or from Kansas City.

C 12. Mail Cranes between stations—Blosser.

C 13. Speed of trains between Marshall Junction and Marshall limited, as follows: Passenger 28 miles per hour, Freight 18 miles per hour, except that no train will exceed 10 miles per hour while backing up.

C 14. Distant Switch signals have been located on engineman's side of track as seen from approaching trains, 2000 feet east of east switch at Marshall Junction, and 3000 feet west of west switch at same station. The signals indicate the position of the Main line switches at that station and when in good order cannot show proceed when all switches are set for the Main track.

TO OPERATE THE SWITCH STANDS:

1st. Raise the lever as high as possible. This releases the facing point lock and sets the distant signal at CAUTION.

2nd. Throw switch in usual manner by turning horizontally as in ordinary stand.

3rd. If it is desired to switch in and out of siding several times, the stand can be operated as an ordinary stand, the lever being depressed to slide over the beveled edge of the table and pass beneath the lower finger of knuckle block, dropping into its proper notch leaving the distant signal at CAUTION to assist in protecting the switching movement. In this position the [illegible] knuckle block and [illegible] is an indication th[illegible]

4th. When it is [illegible] leave the switch [illegible] the lever should b[illegible] pressed well into [illegible] the knuckle block; [illegible] the lever can be d[illegible] setting signal to [illegible] exposing hole for [illegible]

The operation o[illegible] strued as conferri[illegible] Line other than [illegible] Table.

H. N. BARKER, Chief Dispatcher,
Jefferson City.

TRICT—BETWEEN COLE JUNCTION AND ETON.

Miles Prac.	Distance from St. Louis	TIME TABLE No. 7. Taking Effect August 12, 1906. STATIONS.	Distance Between Stations	Siding Capacity in Cars. Passing Track.	TRAINS—EAST BOUND. FIRST CLASS. 32 Jefferson City Local. Daily	58 St. Louis Passenger. Daily.	602 Setalia-St. Louis Passenger. Daily.	608 Setalia Local. Daily.	SECOND CLASS. 54 St. Louis Stock and Red Ball. Daily	56 St. Louis Truck Mail. Daily.	58 St. Louis Red Ball. Daily.	THIRD CLASS. 88 Myrick Coal Cars. Daily.	98 Local Freight. Daily Ex. Sunday.	606 Local Freight. Daily Ex. Sunday.
43	128.88	COLE JUNCTION	161.77	80	Ar 12.06	Ar 1.20			6.35	7.40	Ar 2.50		Ar 3.15	
		4.87												
1786	133.75	McKINNEY	156.90	67	f 11.59	1.07			6.19	7.99	2.87		f 2.47	
		4.87												
1784	138.62	MARION	152.03	73	a 11.50	f 12.53			6.00	7.18	2.23		f 2.18	
		4.75												
1783	143.37	SANDY HOOK	147.28	69	a 11.42	f 12.39			5.44	7.08	2.10		a 1.48	
		7.33												
1780	150.70	LUPUS W	139.95	61	a 11.29	f 12.19			5.18	6.50	1.50		a 1.15	
		5.56												
1778	156.26	WOOLDRIDGE	134.37	67	a 11.18	a 12.08			4.58	6.37	1.37		a 12.57	
		4.37												
1776	160.63	OVERTON	130.10		a 11.10	f 11.58			4.43	6.27	1.28		a 12.43	
		6.63												
1774	164.18	ELLIOTT	126.47	66	f 11.04	f 11.50			4.30	6.20	1.15		f 12.30	
		6.18												
96	170.36	BOONVILLE I WY	120.29	50	a 10.52	a 11.36			4.10	6.05	1.00		a 12.05	
		8.69												
1772	179.05	LAMINE	111.60	67	a 10.36	f 11.19			3.37	5.47	12.37		a 11.33	
		7.40												
1769	186.45	BLACKWATER WC	104.20	67	a 10.23	a 11.06			3.07	5.25	12.10		a 11.06	
		2.71												
1768	189.16	NELSON	101.49		a 10.18	f 11.00			2.53	5.19	12.01		a 10.58	
		5.37												
1766	194.53	NAPTONVILLE	96.12	66	a 10.08	f 10.50			2.39	5.07	11.47		a 10.40	
		7.30												
1762	201.83	MARSHALL JUNC I	88.82	68	a 9.55	a 10.35			2.06	4.50	11.27		a 10.06	
		1.02												
1763	203.75	MARSHALL	90.74		a 9.45	a 10.26							a 9.45 / 9.03	
		1.91												
1762	201.83	MARSHALL JUNC.	88.82	68	a 9.55	a 10.15			2.06	4.50	11.27		a 8.53	
		7.89												
1760	209.16	STANHOPE	81.49	67	f 9.28	f 10.00			1.38	4.35	11.06		f 8.06	
		5.66												
1758	214.81	MALTA BEND	75.84	67	a 9.12	a 9.48			1.15	4.23	10.48		a 7.32	
		4.04												
1757	219.45	GRAND PASS W	71.20	67	a 9.02	a 9.39			12.57	4.07	10.36		a 7.05	
		4.02												
1756	224.07	WAVERLY	66.58	67	a 8.50	a 9.30			12.40	3.57	10.28		a 6.30	
		5.90												
1754	229.97	HODGE	60.68	67	a 8.34	f 9.18			12.15	3.44	10.09		a 5.55	
		4.62												
1752	234.59	DOVER	56.06		a 8.22	f 9.09			11.57	3.35	9.59		a 5.37	
		8.35												
1751	237.92	NORTHRUP	52.73	67	f 8.13	9.02			11.46	3.27	9.49		f 5.26	
		6.95												
159	246.87	MYRICK (WC)	43.78	110	Lv 7.50	a 8.45	Ar 7.35	Ar 7.05	11.10	3.05	9.18	Ar 11.00	Lv 4.50	Ar 8.30
		5.09												
152	252.86	WELLINGTON	37.79	62		a 8.31	a 7.20	a 6.47	10.45	2.45	9.08	10.37		a 8.10
		2.66												
151	255.51	WATERLOO	35.14			8.24	a 7.12	a 6.39	10.29	2.39	8.59	10.27		f 7.57
		1.89												
149	257.34	NAPOLEON	33.31	69		f 8.20	a 7.08	a 6.30	10.22	2.34	8.48	10.20		a 7.45
		3.72												
148	261.06	LEVASY	29.59	68		f 8.11	a 6.58	a 6.23	10.09	2.20	8.38	10.07		a 7.18
		3.04												
147	264.70	BUCKNER	25.95			a 8.02	a 6.50	a 6.15	9.54	2.20	8.28	9.53		a 6.50
		3.64												
146	268.24	LAKE CITY W	22.41	68		a 7.54	a 6.42	a 6.07	9.40 / 9.30	2.14	8.18	9.40		a 6.19
		0.72												
	268.85	LAKE CITY JUNCTION.	22.50			7.52	6.40	6.05	9.27	2.11	8.17	9.37		6.05
		7.45												
	275.80	ETON A.T.&S.F.Ry.J.	14.55			7.35			9.10	1.55	7.55	9.10		5.45
		KANSAS CITY.				Lv 7.00	Lv 5.40	Lv 5.05	Lv 8.15	Lv 1.00	Lv 7.00	Lv 8.00		Ar 4.40
					Daily	Daily.	Daily.	Daily.	Daily	Daily.	Daily.	Daily.	Daily Ex. Sunday.	Daily Ex. Sunday.
		(146.92)			32	58	602	608	54	56	58	88	98	606
					4.18	5.45	0.55	1.00	9.45	5.45	6.55	1.50	10.25	2.45

INSTRUCTIONS.

...pp at ... and ... in good order cannot show proceed when all switches are set for the Main track.

TO OPERATE THE SWITCH STANDS:

1st. Raise the lever as high as possible. This releases the facing point lock and sets the distant signal at CAUTION.

2nd. Throw switch in usual manner by turning horizontally as in ordinary stand.

3rd. If it is desired to switch in and out of siding several times, the stand can be operated as an ordinary stand, the lever being depressed to slide over the beveled edge of the table and pass beneath the lower finger of knuckle block, dropping into its proper notch leaving the distant signal at CAUTION to assist in protecting the switching movement. In this position the pad-lock hole is covered by the knuckle block and stand can be pad-locked, which is an indication that signal is still at CAUTION.

4th. When it is desired to clear the signal and leave the switch securely locked for the main track, the lever should be raised above the horizontal and pressed well into the jaw between the fingers on the knuckle block. This will release the latch and the lever can be depressed to its original position, setting signal to clear, locking switch point and exposing hole for pad-lock stand.

The operation of these signals is not to be construed as conferring right to trains to use Main Line other than prescribed by Rules and Time Table.

C 15. Second and inferior class trains and extras must run carefully through yard limits at Myrick. In case of accident, responsibility rests with approaching train. Following sections of first class trains must also run carefully through yard limits at Myrick.

Myrick yard extends from mile post 248 east of Myrick depot to mile post 248 west of there on River District and 1580 feet east of mile post 245 on Lexington Branch.

Business Tracks not shown as Stations on Time Table.

NAME.	Station Numbers.	Distance from St. Louis.	Car Capacity.
Blosser,	1759	210.87	8
White Siding	A 1758	222.10	4
Buck Horn Coal Spur,	N 1756	224.91	10
Dover Coal Track,	1753	233.65	16
Hays Bros.' Coal Spur,	C 1750	242.42	13
Glen Oak Coal Spur,	B 1750	242.56	35
Macey Coal Track,	A 154	247.84	15
Graddy Coal Track,	154	248.34	22
McGrew Coal Track No. 1,	C 153	248.85	21
McGrew Coal Track No. 2,	B 153	249.21	18
Carter's Coal Track,	A 153	251.26	6
Exchange Spur,	N 152	253.97	6
Seawell Coal Track No. 2,	C 153	254.19	12
Seitz Coal Spur,	N 151	256.40	7
Midas Spur	A 147	262.77	5

S. R. BUNCH, Train Master,
Jefferson City.

LEXINGTON BRANCH—BETWEEN SEDALIA AN

TRAINS—WEST BOUND.

SECOND CLASS.		FIRST CLASS.			Station Numbers.	Distance from Sedalia.	TIME TABLE No. 7. Taking Effect August 19, 1906.	Distance from Myrick.	Sliding Capacity in Cars.		FI
695 Local Freight.		605 Jefferson City Local.	603 Kansas City Passengr.	601 Kansas City Local.					Passing Tracks.		602 Sedalia-St. Louis Passengr.
Daily Ex. Sunday.		Daily.	Daily.	Daily.			STATIONS.				Daily.
Lv 8.00 AM			Lv 5.15 AM	Lv 3.10 PM	84		SEDALIA (WC)	57.21		Ar	9.50 AM
							5.58				
f 8.15			f 5.24	f 3.20	120	3.96	GEORGETOWN	53.25		f	9.41
							6.62				
a 8.45			a 5.37	a 3.36	121	10.58	HUGHESVILLE	46.63		a	9.27
							5.59				
a 9.15 603			a 5.50	a 3.50	122	16.17	HOUSTONIA	41.04		a	9.15 605
							6.51				
a 10.15			a 6.08	a 4.05	123	22.68	SWEET SPRINGS W	34.53	26	a	9.00
							4.27				
f 10.35			f 6.12	f 4.15	N 125	26.95	EMMA	30.26		f	8.50
							4.00				
a 11.00			a 6.20	a 4.25	124	30.95	CONCORDIA	26.26		a	8.42
							7.21				
a 11.36 606			a 6.36	a 4.42	125	38.16	AULLVILLE	19.05		a	8.26
							4.77				
a 12.15 PM			a 6.46	a 4.53	126	42.93	HIGGINSVILLE	14.28		a	8.15
							1.70				
			f 6.51	f 4.57	A 126	44.63	CONFEDERATE HOME	12.58		f	8.10
							2.00				
f 12.27			f 6.56	f 5.02	127	46.63	PAGE CITY W	10.58		f	8.06
							3.16				
f 12.40			f 7.05	f 5.10	N 127	49.79	WINTON	7.42		f	8.00
							2.31				
f 12.48			f 7.13	f 5.16	A 127	52.10	HALL'S	5.11		f	7.54
							3.18				
a 1.15		Lv 7.15 AM	a 7.25	a 5.25	128	55.28	LEXINGTON	1.93	50	a	7.45
							1.93				
Ar 1.25 PM		Ar 7.25 AM	Ar 7.35 AM 602	Ar 5.35 PM 610	129	57.21	MYRICK (WC)		94	Lv	7.35 AM 602
Daily Ex. Sunday.		Daily.	Daily.	Daily.							Daily.
695		605	603	601							602
5.25		0.10	2.20	2.25			(57.21)				2.15

SPECIAL INSTRUCTIONS.

A. H. LANDER, Chief Dispatcher, Sedalia.

D 1. **All East Bound Trains are superior to trains of the same class in the opposite direction.**

D 2. Train Registers—Sedalia, Lexington and Myrick telegraph offices.

D 3. Standard Clocks—Sedalia and Myrick telegraph offices.

D 4. Bulletin Boards—Sedalia.

D 5. Water Stations—Sedalia, Sweet Springs, Page City and Myrick. Regular Water Stations for passenger trains are Sedalia, Page City and Myrick.

D 6. Coal Stations—Sedalia and Myrick.

D 7. Trains Nos. 695 and 696 will carry passengers between Sedalia and Myrick, stopping caboose at station platform.

D 8. Engines not exceeding 56 tons may be run on Lexington Branch, except when necessary to detour trains, passenger engines not exceeding 93 tons and freight engines not exceeding 82 tons may be run not to exceed 20 miles per hour and to reduce speed to 10 miles per hour over Howe truss, Through truss span, or Combination structures, and not use steam over that class of bridge when it can be avoided.

D 9. Trains Nos. 601, 602, 603, 606, 695 and 696 will stop on signal at Freedom mile post 222.60.

D 10. Speed of trains limited, as follows: Passenger 35 miles per hour, freight 20 miles per hour.

D 11. All Lexington Branch trains will approach the switch leading to Main Line from Lexington depot under control, expecting to find trains coming out on the Main Line. Responsibility for accident will rest with the approaching train.

D 12. tras, m dalia an bility r sections through

Sedal dalia to

Myric 1580 fee

INDEPENDENCE BRANCH—BETWEEN INDEPENDENCE AND

TRAINS—WEST BOUND.

FIRST CLASS.				TIME TABLE No. 7. Taking Effect August 19, 1906.	Distance from Independence.	Sliding Capacity in Cars.		FIRS
603 Kansas City Passengr.	601 Kansas City Local.	Station Numbers.	Distance from Lake City Junct.			Passing Tracks.	602 Sedalia-St. Louis Passengr.	
Daily.	Daily.			STATIONS.			Daily.	
Lv 8.35 AM	Lv 6.45 PM			LAKE CITY JUNCTION	10.17		Ar 6.40 AM	Ar
				5.02				
f 8.48	f 6.57	143	5.02	ADAMS	5.15		f 6.26	f
				1.89				
f 8.54	f 7.01	142	6.91	PIXLEYS	3.26		f 6.21	f
				2.54				
a 9.05	a 7.10	141	9.45	LIBERTY STREET	0.72		a 6.15	a
				0.72				
Ar 9.10 AM	Ar 7.15 PM	66	10.17	INDEPENDENCE W			Lv 6.10 AM	Lv
Daily.	Daily.						Daily.	
603	601						602	
0.35	0.30			(10.17			0.30	

SPECIAL INSTRUCTIONS.

H. N. BARKER, Chief Dispatcher, Jefferson City.

E 1. **All East Bound Trains are superior to trains of the same class in the opposite direction.**

E 2. Train Registers—Independence telegraph office and Lake City Junction register box.

E 3. Standard Clocks—Independence telegraph office

E 4. Water Stations—Independence.

E 5. Engines not exceeding 56 tons may be run on Independence Branch, except when necessary to detour trains, passenger engines not exceeding 93 tons and freight engines not exceeding 82 tons may be run not to exceed 20 miles per hour and reduce speed to 10 miles per hour over Howe truss, Through truss span, or Combination structures and not use steam over that class of bridge when it can be avoided.

E 6. Switch at Lake City Junction must be left set for River District.

E 7. Sp ger 28 mile

E 8. Eas than six mi (10) minute and Pixley.

BRANCH—BETWEEN SEDALIA AND MYRICK.

TIME TABLE No. 7. Taking Effect August 12, 1906.

TRAINS—EAST BOUND.

Station Numbers.	Distances from Sedalia.	STATIONS.	Distances from Myrick.	Siding Capacity in Cars. Passing Tracks.	FIRST CLASS. 602 Sedalia-St. Louis Passenger. Daily.	608 Sedalia Local. Daily.	610 Lexington Local. Daily.	SECOND CLASS. 606 Local Freight. Daily Ex. Sunday.
54		SEDALIA (WC)	57.21		Ar 9.50	Ar 9.45		Ar 2.30
	2.00							
120	3.95	GEORGETOWN	53.25		f 9.41	f 9.34		f 2.10
	6.63							
121	10.58	HUGHESVILLE	46.63		s 9.27	s 9.17		s 1.46
	5.59							
122	16.17	HOUSTONIA	41.04		s 9.15	s 9.02		s 1.26
	6.51							
123	22.68	SWEET SPRINGS (W)	34.53	26	s 9.00	s 8.44		s 1.00
	4.37							
(W) 125	26.95	EMMA	30.26		f 8.50	f 8.32		f 12.25
	6.00							
124	30.95	CONCORDIA	26.26		s 8.42	s 8.21		s 12.05
	7.31							
125	38.16	AULLVILLE	19.05		s 8.26	s 8.02		s 11.35
	4.77							
126	42.93	HIGGINSVILLE	14.28		s 8.15	s 7.49		s 11.10
	1.70							
(A) 126	44.63	CONFEDERATE HOME	12.58		f 8.10	f 7.44		
	2.00							
127	46.63	PAGE CITY (W)	10.58		f 8.06	f 7.38		f 10.46
	3.16							
(M) 127	49.79	WINTON	7.42		f 8.00	f 7.30		f 10.30
	2.31							
(A) 127	52.10	HALL'S	5.11		f 7.54	f 7.23		f 10.20
	3.18							
128	55.28	LEXINGTON	1.93	50	s 7.45	s 7.15	Ar 5.45	s 9.55 / 9.30
	1.93							
129	57.21	MYRICK (WC)		94	Lv 7.35	Lv 7.05	Lv 5.35	Lv 8.45
					Daily.	Daily.	Daily.	Daily Ex. Sunday.
		(57.21)			602	608	610	606
					2.15	2.40	0.10	5.45

SPECIAL INSTRUCTIONS.

ures, and not use steam over that class of bridge when it can be avoided.

D 9. Trains Nos. 601, 602, 603, 608, 605 and 606 will stop on signal at Freedom mile post 222.60.

D 10. Speed of trains limited, as follows: Passenger 35 miles per hour, freight 20 miles per hour.

D 11. All Lexington Branch trains will approach the switch leading to Main Line from Lexington depot under control, expecting to find trains coming out on the Main Line. Responsibility for accident will rest with the approaching train.

D 12. Second and inferior class trains and extras, must run carefully through yard limits at Sedalia and Myrick. In case of accident, responsibility rests with approaching train. Following sections of first class trains must also run carefully through yard limits at Sedalia and Myrick.

Sedalia yard extends from passenger depot Sedalia to 2256 feet east of mile post 189.

Myrick yard extends from depot at Myrick to 1580 feet east of mile post 245.

Business Tracks not shown as Stations on Time Table.

NAME.	Station Numbers.	Distances from Sedalia.	Car Capacity.
Rocky Branch Coal Track,	B 125	42.24	15
Gaffin Coal Track, . .	B 127	54.64	20
Lexington Electric Light Spur, .	A 128	56.31	5
Valley & Midway Spur,	C 128	56.67	300

J. E. SNEDEKER, Train Master, Sedalia.

—BETWEEN INDEPENDENCE AND LAKE CITY JUNCTION.

TIME TABLE No. 7. Taking Effect August 12, 1906.

TRAINS—EAST BOUND.

Station Numbers.	Distances from Lake City Junct.	STATIONS.	Distances from Independence.	Siding Capacity in Cars. Passing Tracks.	FIRST CLASS. 602 Sedalia-St. Louis Passenger. Daily.	608 Sedalia Local. Daily.
		LAKE CITY JUNCTION	10.17		Ar 6.40	Ar 6.05
	5.02					
142	5.02	ADAMS	5.15		f 6.26	f 5.52
	1.89					
142	6.91	FIXLEYS	3.26		f 6.21	f 5.44
	2.04					
141	9.45	LIBERTY STREET	0.72		s 6.15	s 5.38
	0.72					
66	10.17	INDEPENDENCE (W)			Lv 6.10	Lv 5.35
					Daily.	Daily.
		(10.17			602	608
					0.30	0.30

SPECIAL INSTRUCTIONS.

may be run not to exceed 20 miles per hour and reduce speed to 10 miles per hour over Howe truss, Through truss span, or Combination structures and not use steam over that class of bridge when it can be avoided.

E 6. Switch at Lake City Junction must be left set for River District.

E 7. Speed of trains limited, as follows: Passenger 28 miles per hour, Freight 18 miles per hour.

E 8. East-bound first-class trains will use not less than six minutes and other trains, not less than ten (10) minutes, between Liberty Street, Independence and Pixley.

E 9. Second and inferior class trains and extras, must run carefully through yard limits at Independence. In case of accident, responsibility rests with approaching train. Following sections of first class trains must also run carefully through yard limits at Independence.

Independence yard extends from Independence depot to 1906 feet east of mile post 272.

S. R. BUNCH, Train Master, Jefferson City.

BAGNELL BRANCH—BETWEEN JEFFERSON

TRAINS—WEST BOUND.

| FIRST CLASS. | | |

NCH—BETWEEN JEFFERSON CITY AND BAGNELL.

	Station Numbers.	Distances from St. Louis.	TIME TABLE No. 7. Taking Effect August 12, 1906.	Distances from Bagnell.	Siding Capacity in Cars. Passing Tracks.	TRAINS—EAST BOUND. FIRST CLASS. 612 Mixed.
			STATIONS.			Daily Ex. Sunday.
	42.		JEFFERSON CITY [WC]	45.31		Ar 2.20
			7.56			
	275	7.96	SCRUGGS	38.05		f 1.50
			3.94			
	276	11.10	MOREAU	34.21		a 1.31
			1.61			
	277	12.71	LOHMAN	32.60		a 1.25
			0.44			
	278	13.15	RUSSELLVILLE	32.16		a 1.00
			4.78			
	279	23.93	ENON	21.43		a 12.40
			4.06			
	280	27.99	OLEAN	17.38		a 12.20
			5.38			
	281	33.31	ELDON	12.00		a 11.55
			3.37			
	282	36.68	AURORA SPRING.	8.63		a 11.35
			3.07			
	283	39.75	COOPER	5.56		f 11.20
			5.56			
	284	45.31	BAGNELL [WY]			Ar 11.00
						Daily Ex. Sunday.
						612
			(45.31)			3.50

SPECIAL INSTRUCTIONS.

. South Moreau,

ns may be run

F 8. All east-bound trains will stop before going on main line at Jefferson City.

F 9 Speed of trains limited, as follows: Passenger 30 miles per hour, Mixed 25 miles per hour and Freight 20 miles per hour.

F 10. Railroad crossing not gated:
C., R. I. & P. Crossing 0.32 mile west of Eldon.
See Special Instructions Q 22 and Q 26.

F 11. Second and inferior class trains and extras, must run carefully through yard limits at Jefferson City. In case of accident responsibility rests with approaching tra n. Following sections of first class trains must also run carefully through yard limits at Jefferson Ci .

Jefferson City yard extends from Jefferson City passenger depot to 720 feet west of mile post 126.

Business Tracks not shown as Stations on Time Table.

NAME.	Station Numbers.	Dist. from Jeff. City.	Car Capacity.
Goodman's Spur .	A 279	27.06	3
Cotton Spur, . .	R 283	44.19	4

S. R. BUNCH, Train Master,
Jefferson City.

BRANCH—BETWEEN SEDALIA AND WARSAW.

	Station Numbers.	Distances from Sedalia.	TIME TABLE No. 7. Taking Effect August 12, 1906.	Distances from Warsaw.	Siding Capacity in Cars. Passing Tracks.	TRAINS—EAST BOUND. FIRST CLASS. 604 Local Passenger.	SECOND CLASS. 624 Mixed.
			STATIONS.			Daily Ex. Sunday.	Daily Ex. Sunday.
	5700		SEDALIA	42.30		Ar 4.40	Ar 2.15
			6.56				
	5707	6.56	VALDA	35.74		f 4.20	f 1.40
			3.44				
	5710	10.00	SPRING FORK	32.30		f 4.12	f 1.30
			4.00				
	5714	14.00	MORA	28.30		a 4.05	a 1.10
			5.50				
	5720	19.50	COLE CAMP	22.80		a 3.50	a 12.45
			6.00				
	5726	25.50	RAYMOND	16.80		a 3.35	a 12.10
			4.50				
	5731	30.00	LINCOLN	12.30		a 3.25	a 11.55
			6.00				
	5737	36.00	SCHUYLER	6.30		a 3.10	a 11.25
			6.00				
	5743	42.00	WARSAW [WY]			Ar 3.55	Ar 11.05
						Daily Ex. Sunday.	Daily Ex. Sunday.
						604	624
			42.30			1.45	3.10

SPECIAL INSTRUCTIONS.

Warsaw tele-

Warsaw, tele-

nger depot.
nd House) Cole
aw.

G 8. Engines not to exceed 56 tons may be run on Warsaw Branch.

G 9. East-bound trains will stop before going on main line at Sedalia.

G 10. Speed of trains limited, as follows: Passenger 30 miles per hour, Mixed 25 miles per hour and Freight 20 miles per hour.

G 11. Railroad crossing not gated:
M., K. & T. Crossing 1.10 miles east of Sedalia passenger depot.
See Special Instructions Q 22 and Q 26.

G 12. Second and inferior class trains and extras, must run carefully through yard limits at Sedalia.

In case of accident responsibility rests with approaching train. Following sections of first class trains must also run carefully through yard limits at Sedalia.

Sedalia yard extends from Sedalia passenger depot to 132 feet east of mile post 1.

Business Tracks not shown as Stations on Time Table.

NAME.	Station Numbers.	Dist. from Sedalia.	Car Capacity.
Dumpville, . .	5711	11.01	4

J. E. SNEDEKER, Train Master.

VERSAILLES BRANCH—BETWEEN BOONVILLE AN

| TRAINS—WEST BOUND. | | |

ANCH—BETWEEN BOONVILLE AND VERSAILLES.

TRAINS—EAST BOUND.

ASS.	Station Numbers.	Distance from Boonville.	TIME TABLE No. 7. Taking Effect August 12, 1906.	Distance from Versailles.	Siding Capacity in Cars.	Passing Tracks.	FIRST CLASS.			SECOND CLASS.								
607 Local Passenger.							606 Local Passenger.			634 Mixed.		636 Mixed.						
Daily Ex. Sunday.			STATIONS.				Daily Ex. Sunday.			Daily Ex. Sunday.		Daily Ex. Sunday.						
Lv 10.55 m	96		N BOONVILLE W Y	43.55	51		Ar 7.25 m					Ar 1.30 m						
f 11.10	95	6.25	6.25	37.30			f 7.05					f 1.05						
s 11.20	94	10.29	4.04	33.26			s 6.55					s 12.50						
f 11.26	93	12.01	1.72	31.54			f 6.50					f 12.43						
s 11.30	92	14.85	2.84	28.70	D		s 6.45					s 12.38						
s 11.35	91	17.83	2.98	25.72			s 6.40					s 12.20						
f 11.40	90	21.63	3.80	21.92			f 6.30					f 12.10 m						
Ar 11.50 m 605	49	25.06	3.43	18.49	97		Lv 6.25 m			Ar 5.45 m		s 12.00 607 11.50						
	A 89	31.61	6.55	11.94	D					s 5.21		s 11.15						
	89	34.06	2.45	9.49						s 5.13		s 11.05						
	B 88	37.57	3.51	5.98						s 5.08		s 10.55						
	88	43.55	5.98		D					Lv 4.50 m		Lv 10.30 m						
Daily Ex. Sunday.							Daily Ex. Sunday.			Daily Ex. Sunday.		Daily Ex. Sunday.						
607							606			634		636						
0.55			(43.55)				1.00			0.55		2.00						

SPECIAL INSTRUCTIONS.

and reduce speed to 10 miles per russ, Through truss span, or Com- es and not use steam over that hen it can be avoided.

trains limited, as follows: Passen- hour, Mixed 25 miles per hour, and per hour.

must STOP at Tipton and KNOW ack is clear before coming on main occupy main track without train as per Rule 99

H 10. At Tipton Train No. 607 will pull down Versailles Branch main track and back to Depot through west Wye and coach track and in doing this work will have right over Train No. 636.

H 11. Railroad crossing gated against Versailles Branch. At Tipton mile post 25.06

Railroad crossings not gated:

C.R.I.& P.Crossing 0.24 mile east of Versailles.

See Special Instructions Q 22 and Q 26.

H 12. Second and inferior class trains and extras, must run carefully through yard limits at Boonville. In case of accident responsibility rests with approaching train. Following sections of first class trains must also run carefully through yard limits at Boonville.

Boonville yard extends from passenger depot Boonville to 785 feet west of mile post 1.

Business Tracks not shown as Stations on Time Table.

NAME.	Station Numbers.	Dists. from Versailles.	Car Capacity.
Bartles Switch, .	A 88	4.67	7
K., I. & T. Connection, .	A 95	43.13	10

J. E. SNEDEKER, Train Master,
Sedalia.

B 4. East-bound trains will take siding at schedule meeting points as follows:

Train No. 4 at Holden for Train No. 1, and at Clarksburg for Train No. 5. Train No. 8 at Tipton for Train No. 9, and at Cole Junction for Train No. 3.

B 5. Train Registers: Tipton telegraph office for trains originating or terminating at that station, Jefferson City (Passenger Depot for passenger trains and Train Dispatcher's office for freight trains), Cole Junction, Sedalia, Pleasant Hill and Independence telegraph offices.

The following trains may register at stations named below by register ticket Form 319:

Cole Junction.—All Sedalia District first class trains.

Independence.—Trains Nos. 2, 5, 7, 9 and 10.

B 6. Standard Clocks: Jefferson City, Passenger Depot and Dispatcher's Office. Tipton, Sedalia and Pleasant Hill telegraph offices.

B 7. Bulletin Boards: Jefferson City (for passenger trains at the Passenger Depot and for freight trains at Yard Master's office.) Sedalia yard office and depot telegraph office and Pleasant Hill telegraph office.

B 8. Water Stations: Jefferson City, California, Tipton, Otterville (one mile east of station), Sedalia (Round House), Lamonte, Warrensburg, Holden, Pleasant Hill, Little Blue and Independence. Regular water stations for passenger trains are Jefferson City, California, Tipton, Lamonte, Warrensburg, Holden and Pleasant Hill.

B 9. Coal Stations: Jefferson City, Sedalia (Round House) and Pleasant Hill.

B 10. Trains Nos. 98 and 99 will carry passengers between Jefferson City and Cole Junction, Trains Nos. 94 and 95 between Jefferson City and Sedalia, Trains Nos. 96 and 97 between Sedalia and Pleasant Hill and Train No. 61 between Sedalia and Dresden, stopping Caboose at station platform.

B 11. Any class of engines used on the system may be run on Sedalia District.

B 12. First-class trains will not exceed speed of twenty (20) miles per hour, and other trains speed of ten (10) miles per hour through city limits of Warrensburg, Holden and Lee's Summit.

All trains will reduce speed to fifteen (15) miles per hour between M., K. & T. Crossing and Grand Avenue, (west of passenger depot), Sedalia.

B 13. East-bound freight trains will not exceed speed of twenty-five (25) miles per hour between Elm Park and Little Blue, Smithton and Otterville, Centertown and Scott.

West-bound freight trains will not exceed speed of twenty-five miles per hour between Syracuse and Otterville, Lee's Summit and Little Blue, Independence and Rock Creek Junct.

B 14. Train No. 6 will stop to discharge passengers east of Tipton who hold tickets originating at stations on the Versailles Branch not including Tipton.

B 15. Mail Cranes between stations: Mt. Washington mile post 275.40. Syberry mile post 171.14.

B 16. The junction of the Joplin Division with Eastern Division at Pleasant Hill, is at the cross-over switch west of the depot. All Joplin Division trains coming into Pleasant Hill will stop before going on to Eastern Division at that point, and all Eastern Division trains must approach same under control.

B 17. DOUBLE TRACK RULES. On double track between Rock Creek Junction and Independence, trains will be operated as follows: East-bound trains will use South track, west-bound trains will use North track; THAT IS, ALL TRAINS WILL ALWAYS USE THE RIGHT-HAND TRACK, AND NEVER RUN IN CONTRARY DIRECTION WITHOUT SPECIAL ORDERS, OR UNDER PROTECTION OF A FLAG.

B 18. The switch at end of double track at Independence, stands locked for the west-bound track, and must be left in that position after being used by east-bound trains. All trains will approach the cross-over just west of end of double track at Independence, under control.

B 19. All west-bound Main Line and Independence Branch trains will stop before passing the fouling point of the Independence Branch switch between depot and east end of double track at Independence; except that Train No. 7 will approach that point under control, prepared to stop in case the track is being used by another train crossing over. Any train passing from Main Line to Independence Branch, or vice versa, will place a flagman with stop signals in center of track east of Independence Branch switch, to indicate that the track is being used.

B 20. Interlocking Signals and switches are located at Cole Junction, M., K. & T. Crossing and Rock Creek Junction. All trains must approach these signals under control and stop before passing home signal if turned against them. Home signal showing semaphore arm in a horizontal position by day and a red light by night indicate stop as seen from approaching trains. Semaphore arm in an inclined position by day and a green light by night at Cole Junction and Rock Creek Junction and at M., K. & T. crossing indicate proceed. Distant Signals are located outside of Home Signals at Cole Junction and Rock Creek Junction (no Distant Signals at M., K. & T. Crossing.) Distant Signals must not be depended upon to govern the position of Home Signals. The absence of a Home Signal or its failure to work properly must be regarded as a stop signal and in such cases enginemen must get hand signal from Towerman. At Rock Creek Junction the upper arm or light on Home Signals for east-bound trains is for the main line, the lower arm or light is for the River District. At Cole Junction and Rock Creek Junction the normal position of Home Signals and derailing switches will be against all trains in either direction. At M., K. & T. Crossing the normal position of signals and switches will be for trains of the Mo. Pac. Ry. except when changed for M., K. & T. trains to cross. This must not be construed as permitting Mo. Pac. trains to approach this crossing other than under control.

West-bound main line trains approaching Cole Junction will whistle the usual station whistle signal; if they are to take siding they will give four short blasts of the whistle in addition. West-bound River District trains will give two long blasts in whistling for the station and if to take siding, four short blasts of the whistle in addition. The west switches at Cole Junction are not interlocked.

B 21. Railroad crossing gated against Versailles Branch.
0.23 miles west of Tipton depot.
See Special Instructions Q 22 and Q 26.

B 22. Second and inferior class trains and extras, must run carefully through yard limits at Jefferson City, Sedalia, Pleasant Hill and Independence. In case of accident, responsibility rests with approaching train. Following sections of first class trains must also run carefully through yard limits at Jefferson City, Sedalia, Pleasant Hill and Independence.

Jefferson City Yard extends from mile post 124 east of Passenger Depot to mile post 126 west of Passenger Depot.

Sedalia Yard Limits extend from 1385 feet east of mile post 186 east of Passenger Depot to 1054 feet east of mile post 190 west of Passenger Depot, and from Sedalia Passenger Depot to 1332 feet east of mile post 1 on Warsaw Branch and from Sedalia Passenger Depot to 2256 feet east of mile post 189 on Lexington Branch.

Pleasant Hill Yard Limits extend from 2112 feet east of mile post 248 east of Depot to 2112 feet west of mile post 249 west of Depot, and on Joplin Division to 2400 feet west of mile post 35.

Independence Yard Limits extend from 1320 feet east of mile post 272 east of Depot to 528 feet west of mile post 273 west of Depot, and on Independence Branch to 1996 feet east of mile post 272.

Q1. When a train is detoured, it must not leave the station at which it returns to its own rails, without a "31" running order.

Q2. Unless otherwise indicated, the time of a train at any station on time table applies to the switch where an inferior train takes the siding; where there is no siding, it applies to the place from which fixed signals are operated. Where there is neither siding or fixed signal, it applies to the place where traffic is received or discharged.

Q3. Running switches must not be made when they can possibly be avoided. When necessary, they must be carefully made, Train Conductor or Yard Foreman first seeing that the tracks are clear, switches all right, and hand brakes in good order.

Q4. Any knowledge Train or Enginemen may have of Block System, whether mechanical or manual, does not permit them to dispense with the use or observance of other signals, whenever or wherever they may be required; nor does it relieve Enginemen and Trainmen from taking all precautions required by train rules for the protection of their trains.

Q5. No train will be allowed to obstruct any public crossing to exceed five minutes at one time; when more time is required, train must be cut and separated to allow the free use of crossing.

Q6. All persons are strictly forbidden to board engines or cars while they are in too rapid motion. Under no circumstances must they stand on track and board engines or cars when same are approaching them.

Q7. Employes must use great care in coupling or uncoupling cars, and not go between the cars unless they are moving at a slow and safe speed, nor attempt to couple or uncouple cars unless the coupling appliances are known to be in good order.

Q8. When a local first-class train falls back on the time of a fast through first-class train in the same direction, it will proceed as an inferior train, clearing the time of the fast train, unless authorized by train order to run ahead of it. This does not apply east of Washington.

Q9. Switches must be left set and locked for main track after having been used.

When employes set switches for the main track, they must test the lock to know that it is secured, and must see that the switch points fit properly. Defective locks found on main track switches must be reported to the Train Master by telegraph.

When a switch is found to be in defective condition, the Section Foreman must be immediately notified; and if the condition of the switch involves hazard to the movement of trains, arrangements must be made to flag trains until the track is made safe.

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SPECIAL INSTRUCTIONS FOR ALL DISTRICTS AND BRANCHES ON EASTERN DIVISION.

Q1. When a train is detoured, it must not leave the station at which it returns to its own rails, without a "31" running order.

Q2. Unless otherwise indicated, the time of a train at any station on time table applies to the switch where an inferior train takes the siding; where there is no siding, it applies to the place from which fixed signals are operated. Where there is neither siding or fixed signal, it applies to the place where traffic is received or discharged.

Q3. Running switches must not be made when they can possibly be avoided. When necessary, they must be carefully made, Train Conductor or Yard Foreman first seeing that the tracks are clear, switches all right, and hand brakes in good order.

Q4. Any knowledge Train or Enginemen may have of Block System, whether mechanical or manual, does not permit them to dispense with the use or observance of other signals, whenever or wherever they may be required; nor does it relieve Enginemen and Trainmen from taking all precautions required by train rules for the protection of their trains.

Q5. No train will be allowed to obstruct any public crossing to exceed five minutes at one time; when more time is required, train must be cut and separated to allow the free use of crossing.

Q6. All persons are strictly forbidden to board engines or cars while they are in too rapid motion. Under no circumstances must they stand on track and board engines or cars when same are approaching them.

Q7. Employes must use great care in coupling or uncoupling cars, and not go between the cars unless they are moving at a slow and safe speed, nor attempt to couple or uncouple cars unless the coupling appliances are known to be in good order.

Q8. When a local first-class train falls back on the time of a fast through first-class train in the same direction, it will proceed as an inferior train, clearing the time of the fast train, unless authorized by train order to run ahead of it. This does not apply east of Washington.

Q9. Switches must be left set and locked for main track after having been used.

When employes set switches for the main track, they must test the lock to know that it is secured, and must see that the switch points fit properly. Defective locks found on main track switches must be reported to the Train Master by telegraph.

When a switch is found to be in defective condition, the Section Foreman must be immediately notified; and if the condition of the switch involves hazard to the movement of trains, arrangements must be made to flag trains until the track is made safe.

The Train Master must be promptly notified from the first open telegraph office of any defective condition of the track or roadway.

When a train backs in on a siding to meet or be passed by another train, the Engineman, when his engine is in to clear, must also see that the switch is properly set for the main track.

Enginemen must know that switches are properly set before they pull in or out of sidings or other tracks.

Q10. If anything is seen by Enginemen which has the appearance of an obstruction, or if there be any indication of defect of track or roadway, they must immediately reduce speed, stopping train if necessary, and be assured that the track is clear and safe before proceeding.

If there be reason to believe that their train has passed over any dangerous defect of track or roadway, Enginemen must stop at once, and notify the Conductor, in order that he may investigate, and take proper action.

During and immediately after severe storms, they must run with caution over those portions of the track likely to be damaged.

Enginemen must respond promptly in making answer to signals, and must not pass a Flagman until they have ascertained the reason for being flagged.

When Conductors are made aware their train has caused damage to track by derailment or otherwise, or if it has passed over any dangerous defect in track, bridges or roadway, or in the event of any dangerous obstruction falling from their train, they must stop at once and investigate. If the defect cannot be remedied or the obstruction removed, they must leave a Flagman, or other competent employe, with signals to protect the following train, and must notify all trains that are met, until notice is sent to the Train Master from the next telegraph office. Whenever the services of Trackmen are required, they must be promptly called.

Q11. When running over track or bridge under slow order, the Conductor must have a man on the steps of the last car of a passenger train and on top of the last car of a freight train.

The Engineman must maintain the uniform speed prescribed by the order until an all right signal is received from the man so stationed, after rear of train has passed the designated point.

Q12. Enginemen must never cut their engine off and leave their train without first consulting their Conductor. This applies to trains of all classes. Conductors of second and succeeding class trains must be on their engines at all meeting points and approaching all important stations, unless they are running ahead of a superior train on short time, when they should be on the rear end.

Q13. If practicable to avoid it a train must not be allowed to stand on a curve or bridge, between stations.

Q14. Engines running backward must not exceed ten (10) miles per hour except that Helper Engines running backward that are provided with pilot on tender may run twenty (20) miles per hour on main line.

Q15. Conductors and Enginemen will examine bulletin board before starting on each trip.

Q16. The Train Registers, showing the arrival and departure of trains, will be kept at points designated in the Time Table.

Conductor and Engineman must check register at the initial station for their train, as per Rule 83.

At other points where train registers are kept, Conductor must check and enter in register all the information required by its form, and, before proceeding must know whether all trains due, which are superior or of the same class, have arrived or left.

The Engineman will also check the register at intermediate points when practicable. He must know before leaving a junction, or passing from double to single track, that all trains due which are superior, or of the same class, have arrived or left.

Q17. A train must not leave its initial station on each District without a clearance card (Form 117-Rev.), authorized by the Train Dispatcher and bearing his signature, countersigned by the Operator; or a train order.

If the line fails, the clearance card, bearing the signature of the Operator only, will be authority for the train to proceed on its schedule.

Q18. When train order signal indicates stop while train is at station, train must have clearance card before proceeding. This will not relieve Operators from complying with requirements of Rule 219.

Q19. A white lantern will be used at flag stations instead of green and white as required by Rule 28.

Q20. Platform lights on rear of first-class trains and cupola lights on cabooses will be used in addition to lights prescribed by Rules and must be concealed when on siding to clear.

Q21. Conductors will be held responsible for the safety of their trains at all terminals until taken charge of by Yard Master.

Q22. Missouri Pacific trains will approach gated Railroad crossings under control and at crossings gated against our line, stop, whether gate is turned against Foreign Line or not. Gate must not be turned to clear our line while train is in motion. At points gated against a foreign line, Missouri Pacific trains will be prepared to stop within two hundred feet of crossing. If crossing gate is against Foreign Line they can proceed at speed not exceeding ten miles per hour over the crossing.

Q23. Trains or engines must be run with caution when entering or moving through sidings or yard tracks, expecting to find them occupied.

Q24. Cars must not be left on sidings when possible to avoid it.

When a siding is obstructed notice must be sent promptly by telegraph to the Train Master.

Q25. Cars on side tracks, whether in yards or at stations, must stand clear of all other tracks.

Q26. At grade crossings where there are no Signalmen, and the view in each direction is not clear for at least 800 feet, one of the crew must precede the train and give signal from the crossing if safe to proceed.

At crossings where regular Signalmen are employed, all trains will stop and not proceed until all right signal is given by the Signalman.

At a crossing or junction, when practicable, a train must not be stopped at a point where any part of it will interfere with the free passage of trains on the other track.

Q27. Enginemen must whistle Classification Signals both at Engine and Caboose. Trainmen at Caboose will answer by hand or lamp signal.

Q28. At schedule meeting points as between passenger trains, and at meeting points made by train order as between passenger and all trains, passenger Conductors must give two long and one short blast of the air whistle or a series of sharp sounds of the engine gong immediately after station whistle signal is sounded, which the Engineman must answer by two short blasts of the whistle.

If the Engineman fails to sound station signal as per Rule 14 (m), at such meeting points, or answer, the Conductor must stop the train before it reaches the ruling switch and report the facts to the Train Master.

Q29. Agents will record in a conspicuous place on waybills date and hour stock is loaded and Conductors will transmit this information to Train Master by telegraph.

Q30. Enginemen must use the utmost care to prevent killing or injury of stock, and STOP THE TRAIN, if necessary, to prevent such accident.

When stock is killed or injured, the Conductor must be notified and written report promptly made by the Engineman to the Train Master.

Q31. Great care must be exercised to not overload coal stoves in buildings or cars, and fires in stoves must be examined, and made safe before leaving them.

Q32. The reading of newspapers, books, periodicals, by Enginemen, Trainmen, Signalmen, Watchmen and Crossing Flagmen while on duty is prohibited.

EXPLANATION OF CHARACTERS.

C—Coal.
D—Day Telegraph Office.
f—Flag Stop.
N—Day and Night Telegraph Office.
s—Local Stop.
T—Turntable.
W—Water.
Y—Wye.
c—Stop for passengers for Kansas City or beyond.
d—Stop to discharge passengers from Kansas City.
m—Stop for passengers for Joplin Division or points beyond, via that Division.
o—Stop to discharge passengers from Joplin Division or points beyond, via that Division.
p—Stop for passengers from or to St. Joe.
x—Stop for passengers for St. Louis.
*—Mail Catcher. ‖—Scales. ¶Meal Station

INSTRUCTIONS GOVERNING THE USE OF AIR BRAKES, AIR WHISTLE SIGNALS. BAKER HEATERS. STEAM HEAT AND PINTSCH GAS.

AIR BRAKES.

1. A freight train must not leave its initial station with less than seventy-five per cent. of the cars in the train equipped with air brakes in working order and in use.

2. All of the available air brake cars must be connected and in use. When station order make-up will not permit the use of all the air brakes, at least seventy-five per cent. of the cars in the train must be equipped with air brakes and in use. When necessary to cut out air brakes on account of defects or otherwise, it must be done at the cross-over pipes, not at the angle cocks, so as to give a straight train line and obtain the benefit of air brakes in case of train parting. When it is not practicable to cut out at cross-over pipes, car must be switched out and placed with the non-air cars.

3. Enginemen must be notified by the trainmen and know before commencing trip, the total number of cars in their train and the number of air brake cars in use.

4. Conductors and enginemen will be held equally responsible for knowing by personal examination that the brakes upon their train are in good working order at all times.

5. Air brakes must be tested by applying and releasing brakes from engine before starting from terminal stations, and at all other places where engine or cars have been detached, or hose couplings separated.

6. After all couplings have been made on a passenger train, he engineman will be instructed to apply brakes; the brakeman or car inspector will then pass to the rear of the train, noticing that the brakes are properly applied to each car. Four taps of the signal bell, or a like number of sounds of the air whistle signal will be given from the rear platform, as notice to the engineman to release brakes; the brakeman or car inspector will then pass to the engine, noticing brakes to see if they properly release. If so, he will notify the engineman that the brakes are working all right. Should the brakes on any car fail to work properly, immediate steps must be taken to put them in order before starting the train. Conductors must personally know that the above test has been made at all terminal stations, as well as at any station where hose coupling have been separated.

As an extra precaution, enginemen must apply the air brakes by the "service" application of from ten (10) to fifteen (15) pounds reduction in train pipe, while working steam on locomotive, within three hundred (300) yards of the starting point, after leaving a terminal station or any other place where the engine or cars have been detached, or hose coupling separated; also at least one (1) mile before reaching end of double track, junctions, railroad crossings at grade, draw bridges, regular stops, and before descending heavy grades.

7. Enginemen must use the brakes carefully to avoid injury to passengers or freight. They must not use the emergency application unless it is really necessary; and must be especially careful to apply brakes moderately when train is moving slowly.

8. The conductor's valve must never be used except in case of emergency, and when it is used, should be held open until it is certain that the engineman has noticed the application of the brakes and put his valve on "lap".

9. When there are sufficient air brake cars in service in a freight train to properly handle it, the engineman will be held responsible for "service" stops, but trainmen must be ready to assist in stopping train if called upon. This will not relieve trainmen from being in their assigned positions on train, as required by the Rules and Regulations.

10. When an engine has been coupled to a freight train, and the gauge shows a sufficient pressure in train pipe, the trainman or inspector making the test will request the engineman to apply the brakes, and will then go to each car and observe the piston to see that the brake is set. When the last air car is reached, if the brakes are set properly, he will give a signal to the engineman to release the brakes, and the person making the test will then examine each car to see that the brake releases, and on arriving at the engine, will report to the engineman the number of brakes in good working order. If any brakes will not release, or have leaks or broken rods, or other defects which render it necessary, they must be cut out by closing stop-cock in branch pipe, and then bled, to insure that they will not stick. Opening the stop-cock at rear car is not a reliable test of the brakes, and is strictly forbidden.

11. Brakeman of freight trains will be expected to couple air-hose in making up trains at terminal points, and have train in readiness to test air when engine reaches train. They will begin invariably at the rear end of train and see that stop-cock in train pipe at rear of last air car is closed and all other stop-cocks in train pipe at the end of cars are open; that the hose are all coupled; that the stop-cock in branch pipe of each car is opened, the handle of pressure retaining valve on each car returned down, and all hand brakes released, unless they are needed to hold the cars while making up train.

12. Enginemen, on taking their engines at terminals must start the air pump in time to have a full pressure of air in main reservoir on reaching train so that they may charge train promptly and test brakes as outlined above, without delaying the departure of the train.

13. To provide against breaking in two and running together, all air cars in train must be coupled up and working. The non-air piped cars should be scattered through the train and not bunched together in any one place. If the air reaches through to caboose, the caboose brake must be coupled up and working. Any defect in caboose brake must be promptly reported. When the train is cut between the air cars, or breaks in two, or additional cars are put in between the engine and the last air car, the brakes must be tested from the engine, as directed above, before proceeding.

14. If air brakes are found to be inoperative, the cause should be ascertained immediately, and no further dependence placed on them to make stops, until proved to be efficient by a test, as outlined above, that they are working.

15. Trainmen must watch carefully for any indication that brakes are not working on all air cars.

16. With freight trains partially equipped with air brakes, the Engineman, after shutting off steam, must first allow the slack of train to run in against the engine, and then apply the brakes gradually by five (5) pounds reduction, allowing ample time for any slack that may not yet be taken up to close in, before another reduction is made. This will avoid rough handling of that portion of train not equipped with air brakes. In all cases the brakes must be applied carefully in order to prevent shocks and damage to cars and lading.

17. In applying brakes to steady train upon descending grades Enginemen will use great care to keep the slack of train taken up, release the brakes where the grades or curves will keep train together and apply brakes where grade might allow slack to run out. No excuse will be accepted for rough handling of trains.

18. When brakes are released at foot of grades, ample time must be given for air to release and slack to run out before using steam.

19. When brakes are cut out, Conductors will so advise enginemen.

20. Brakes must be fully released on the entire train before detaching engine.

21. The air should be fully released on cars set out from trains on sidings and hand brakes securely set.

22. When uncoupling cars or engines the brakes must be first released, both angle-cocks closed and the couplings parted by hand.

23. Enginemen must have extra hose and couplings on engine. Trainmen must have extra hose and couplings in caboose and baggage cars.

24. Conductors must report to inspectors any car not in working order.

25. Air brake hose on freight car equipment when not in use should be allowed to hang down.

Air brake hose on passenger equipment when cars are not in service or hose coupled up should be hung up in dummy hooks.

AIR WHISTLE.

1. Conductors and enginemen handling trains equipped with air whistle signals, will be responsible for knowing that the device is in proper working order. Trains equipped with air whistle signals must be tested by applying the same from the rear car of train before leaving a terminal station, and at every other station where engine or cars have been detached, or hose couplings separated.

2. This test must be made at the time the air brakes are tested. Conductors will report by wire to train master the numbers and initials of cars equipped with air whistle signals that are found to be out of order.

3. In using the air whistle signal, the valve should be held open about one second and remain closed about two seconds between each two sounds. The signal to be used in operating air whistle will be the same as govern Bell Cord Signals.

4. Air whistle hose on passenger equipment when cars are not in service or hose coupled up should be hung up in dummy hooks.

BAKER HEATERS.

1. The heater should be kept half full of coal at all times. The coal should never be allowed to get below top of worm. This will give about 15 inches of fire.

2. The inside safety lid should never be opened, except to build the fire or put in coal. (Never force the fire by opening inside safety lid.)

3. To increase the heat, open inside lower damper, and close upper damper.

4. To reduce the heat, close the lower damper and open the upper damper about two inches, or according to the amount of heat required. With both dampers closed, the air will not be too warm at any time, and by proper working of the lower and upper dampers, and watching the indicator, the car can be kept at any temperature desired.

5. Failure of the heater arises from neglect or mismanagement, generally from allowing fires to run too long without putting in coal, then filling them full and operating the drafts, producing a rapid fire, which instead of warming the car, stops the circulation and creates gases, which are liable to explode.

6. It will be readily understood that with the large amount of piping in the cars, the circulation—which is principally caused by the weight of the column of water falling from the drum into the pipes, and the difference in the weight of a column of cold and hot water—must be necessarily slow, and that a forced fire will do no good, but will only cause the effect mentioned above.

7. In filling the heater pipes, be sure that the water contains all the salt it will hold in solution, and that no undissolved salt enters the drum. Open the combination cock on end of the drum and pour in water until it runs freely from same. The water should always stand at the height of combination cock, which may be tried by opening the cock, but only when the fire is very low, and no pressure on. Pipes should be warm all round before passengers enter car.

STEAM HEAT.

1. During the heating season, the steam hose must be connected, the valves opened throughout the train, and steam applied according to requirements.

2. Steam must be circulating throughout the train, all drip valves working freely, and hose connections tight before leaving an initial station, or any place at which cars are set out or taken into the train.

3. The steam admitted to each car must be carefully regulated to maintain a uniform temperature of seventy degrees.

4. Careful attention must be given to the drainage of the train steam pipe to prevent accumulation of water from condensation and the consequent chilling of the cars.

5. Steam hose must not be uncoupled until the steam has been shut off.

6. In case of failure of steam heat, fires must be lighted in the car heaters.

7. Special attention must be given to the printed instructions explaining in detail the mechanism and the operation of the steam heating apparatus. Employes in train service must have a thorough knowledge of the cars and management of the heating apparatus.

8. Steam hose on passenger equipment when cars are not in service or hose coupled up should be hung up in dummy hooks.

PINTSCH GAS.

1. When light is required, the gas should be turned on about one-half at the main cock in the end of the car. Each lamp must then be lighted separately and the lamp valve turned on full. The globe of a lamp must be closed before the next one is opened to be lighted.

When the lamps throughout a car have been lighted, the gas must be reduced at the main cock to about one-quarter flame and allowed to stand ten minutes for the burners to become well heated, when the main cock can be turned on to full pressure.

2. At 10:30 P. M. the main cock must be turned to reduce all lamps to one-half flame, and at daylight the lamps must be extinguished by turning off the gas at each lamp valve.

The practice of extinguishing lamps by turning off gas at the main cock is prohibited.

DEFINITIONS.

701.—BLOCK. A length of track of de... of which by trains is controlled by Block Si...

702.—BLOCK SIGNAL. A fixed signal ... of a block.

703.—HOME BLOCK SIGNAL. A fixe... trance of a block, to control trains in enter... block.

704.—DISTANT BLOCK SIGNAL. A fix... ive character, used in connection with a Hom... the approach thereto.

705.—BLOCK SYSTEM. A series of con... trolled by Block Signals.

706.—AUTOMATIC BLOCK SYSTEM. ... which the signals are operated by electric, ... agency actuated by a train, or by certain con... use of a block.

DESCRIPTION.

707.—Automatic Block Signals are those ... circuits and control the use of the blocks, b... provided, do not affect the movements of tra... table or train rules, nor dispense with the u... other signals whenever and wherever they m...

707—(a) COLORS OF FIXED SIGNALS.
RED—Stop. GREEN—Proceed.

708. HOME SIGNALS.

(a) Arm horizontal—Indicated at night ... STOP.

(b) Arm inclined—Indicated at night ... PROCEED.

709. DISTANT SIGNALS.

(a) Arm horizontal—Indicated at night ... CAUTION. Prepare to stop before reaching th...

(b) Arm Inclined—Indicated at night ... PROCEED.

710.—(a) All automatic Block Signals ... with even numbers governing east-bound move... odd numbers, governing west-bound movemen...

(b) Except where view is unobstructed ... a Home Signal controlling movements throug... ing a passing track, is governed by a Distant ...

(c) Home Signals controlling intermedi... provided with Distant Signals.

711.—Block Signals may be put to STOP ...
1st—A train in the block;
2nd—An open switch in the main tra...
3rd—A car outside the clearance point...
4th—A broken rail;
5th—An open drawbridge;
6th—Failure of the system.

712.—(a) All main track switches are c... signals of the Block in which they are locat... the signals to stand at STOP unless the swi... main track. When a switch is restored to th... signal will return to PROCEED unless there ... track or other obstruction.

(b) On double track both ends of main ... control the automatic block signals in both ... both ends of such cross-overs are set for the m... nals in each direction will be held at STOP.

713.—An Overlap is an electrically controll... adjoining a block. The extremity of an Over... a post upon which are shown the word "Block... of the signal controlled by the Overlap.

RULES.

714.—All trains must approach signals ... prepared to stop before entering the Block.

715.—If the Home Signal is at PROCEED ... ters a block and changes to STOP after train ... indicates that the block is unoccupied.

C. S. CLARKE,
Vice-President,
ST. LOUIS, MO.

A. W. SULLIVAN,
General Manager,
ST. LOUIS, MO.

J. W. HIGGINS,
Assistant General Manager,
ST. LOUIS, MO.

E. A. GOULD,
...eral Superintende...
KANSAS C...

TLE SIGNALS.

HEATERS.

pt half full of coal at all times. The
o get below top of worm. This will

uld never be opened, except to build
er force the fire by opening inside

pen inside lower damper, and close

se the lower damper and open the
, or according to the amount of heat
closed, the air will not be too warm
rking of the lower and upper dampers,
car can be kept at any temperature

ses from neglect or mismanagement,
o run too long without putting in
d operating the drafts, producing a
rming the car, stops the circulation
liable to explode.
erstood that with the large amount
ulation—which is principally caused
water falling from the drum into the
weight of a column of cold and hot
w, and that a forced fire will do no
effect mentioned above.
pes, be sure that the water contains
ution, and that no undissolved salt
combination cock on end of the
t runs freely from same. The water
ght of combination cock, which may
but only when the fire is very low,
ould be warm all round before pas-

M HEAT.

eason, the steam hose must be con-
roughout the train, and steam ap-
ents.
lating throughout the train, all drip
ose connections tight before leaving
e at which cars are set out or taken

to each car must be carefully regu-
temperature of seventy degrees.
st be given to the drainage of the
ccumulation of water from condensa-
ing of the cars.
t be uncoupled until the steam has

steam heat, fire must be lighted in

st be given to the printed instruc-
mechanism and the operation of the
nployes in train service must have a
are and management of the heating

nger equipment when cars are not
should be hung up in dummy hooks.

CH GAS.

d, the gas should be turned on about
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out a car have been lighted, the gas
ock to about one-quarter flame and
or the burners to become well heated,
urned on to full pressure.
ain cock must be turned to reduce all
at daylight the lamps must be ex-
gas at each lamp valve.
hing lamps by turning off gas at the

RULES GOVERNING THE USE OF THE AUTOMATIC BLOCK SYSTEM.

DEFINITIONS.

701.—BLOCK. A length of track of defined limits, the use of which by trains is controlled by Block Signals.

702.—BLOCK SIGNAL. A fixed signal controlling the use of a block.

703.—HOME BLOCK SIGNAL. A fixed signal at the entrance of a block, to control trains in entering and using said block.

704.—DISTANT BLOCK SIGNAL. A fixed signal of distinctive character, used in connection with a Home Signal to regulate the approach thereto.

705.—BLOCK SYSTEM. A series of consecutive blocks controlled by Block Signals.

706.—AUTOMATIC BLOCK SYSTEM. A Block System in which the signals are operated by electric, pneumatic or other agency actuated by a train, or by certain conditions affecting the use of a block.

DESCRIPTION.

707.—Automatic Block Signals are those controlled by track circuits and control the use of the blocks, but unless otherwise provided, do not affect the movements of trains under the time table or train rules, nor dispense with the use or observance of other signals whenever and wherever they may be required.

707—(a) COLORS OF FIXED SIGNALS.

RED—Stop. GREEN—Proceed. YELLOW—Caution.

708. HOME SIGNALS.

(a) Arm horizontal—Indicated at night by a red light—STOP.

(b) Arm inclined—Indicated at night by a green light—PROCEED.

709. DISTANT SIGNALS.

(a) Arm horizontal—Indicated at night by a yellow light—CAUTION. Prepare to stop before reaching the Home Signal.

(b) Arm inclined—Indicated at night by a green light—PROCEED.

710.—(a) All automatic Block Signals will be numbered with even numbers governing east-bound movements; those with odd numbers, governing west-bound movements.

(b) Except where view is unobstructed, the approach to a Home Signal controlling movements through a block containing a passing track, is governed by a Distant Signal.

(c) Home Signals controlling intermediate blocks, are not provided with Distant Signals.

711.—Block Signals may be put to STOP by
1st—A train in the block;
2nd—An open switch in the main track;
3rd—A car outside the clearance point at siding;
4th—A broken rail;
5th—An open drawbridge;
6th—Failure of the system.

712.—(a) All main track switches are connected with the signals of the Block in which they are located and will cause the signals to stand at STOP unless the switch is set for the main track. When a switch is restored to the main track, the signal will return to PROCEED unless there is a train on main track or other obstruction.

(b) On double track both ends of main track cross-overs control the automatic block signals in both directions. Unless both ends of such cross-overs are set for the main track the signals in each direction will be held at STOP.

713.—An Overlap is an electrically controlled section of track adjoining a block. The extremity of an Overlap is indicated by a post upon which are shown the word "Block" and the number of the signal controlled by the Overlap.

RULES.

714.—All trains must approach signals under full control prepared to stop before entering the Block.

715.—If the Home Signal is at PROCEED before a train enters a block and changes to STOP after train enters the block, it indicates that the block is unoccupied.

716.—ON SINGLE TRACK if the Home Signal is at STOP before a train enters the block, or is at PROCEED and does not change to STOP when the train enters the block, the train must stop; wait full ten (10) minutes and then proceed under full control until the train passes out of the block.

717.—ON DOUBLE TRACK if the Home Signal is at STOP before a train enters the block, or is at PROCEED and does not change to STOP when the train enters the block, the train must stop; wait one minute and then proceed under full control until the train passes out of the Block.

718.—As soon as the engineman knows that it will be necessary to stop at a signal, he must give the required signal to the flagman as per Rule No. 14 (c) and the train must be protected in accordance with Rule No. 99 (Standard rules).

719.—When necessary to stop by reason of a signal being at STOP, the train should be stopped before reaching the block signal. Should this be impossible, the engineman will back his engine clear of signal. This will give the signal a chance to go to PROCEED should the obstruction be removed before the expiration of the wait required by the rules.

720.—Should a train on single track immediately preceding a passenger train, find it necessary to stop under conditions mentioned above, the flagman should be instructed to notify the following passenger train that the train ahead is proceeding through the block in compliance with Rule 716. This will permit the passenger train to proceed cautiously, looking out for the train ahead or other obstruction, without causing further delay.

721.—On single track, trains which have made an unusual stop of a length to exceed two minutes within the limits of a Block, must not exceed a speed of ten miles an hour until the next automatic Block Signal is reached.

722.—A train which is to take siding at a meeting point within the limits of a Block, may pass the Home Signal at the entrance there if at STOP and proceed under full control to the siding. In case trains cannot pull in past the clearance point by reason of their length, a flagman should at once be sent to notify the expected train, thus enabling it to proceed to the meeting point without the prescribed wait of ten minutes.

723.—In taking siding at meeting and passing points, trains should pull in past the clearance point before stopping, otherwise the signals at both ends of that Block will be held at STOP, causing unnecessary delay to approaching trains.

724.—Where a train which is to hold main track at a meeting point arrives before the train which is to take siding, the train on main track must not pass Overlap post on engineman's side, nor must trainmen change switch entering siding until train which takes siding arrives at entrance to block.

725.—On single track when following trains or sections are entering the portion of road controlled by Block Signals, each train or section will allow the preceding train or section, five (5) minutes to clear the Block. If the Block is not clear at the expiration of five (5) minutes, the train will proceed under full control, expecting to find the block occupied by the preceding train. Trains passing from a block to the portion of the road not controlled by block signals, will be governed by Rule No. 91 (Standard Rules).

726.—Trainmen are reminded that although the Distant Signal indicates the position of the Home Signal, the Home Signal may assume the STOP position after the Distant Signal has given the PROCEED indication, and while the train is between the Home and Distant Signal. For this reason trainmen must be on the alert, prepared to bring the train to a stop if the Home Signal indicates STOP, and be governed by Rules 716 or 717.

727.—A train passing an Automatic Distant Signal at CAUTION, must be prepared to stop before reaching the Home Signal.

728.—In order to avoid setting main track signals at STOP, cars or engines must not be allowed to stand on side tracks between the fouling blocks and switches.

729.—All work trains are required to clear main track ten minutes before passenger trains are due at the block limit in either direction.

730.—Conductors and enginemen must report to the Superintendent on blanks provided for the purpose from the first open telegraph station, the number of any signal not working properly. The signals must be observed by the enginemen when the train enters and by the trainmen when the rear of the train passes out of the block. This information must be sent by operators on the train wire to the train dispatcher.

731.—Enginemen must not allow either fire-box or front end cinders to be dropped on the tracks that are governed by Automatic Block Signals.

732.—Automatic Block Signals do not in any way affect the rights of trains nor the general rules, and do not relieve trainmen and others from any responsibility under the rules. The Block Signals are an extra precaution and must be strictly observed.

733.—Rule 99 will be as strictly enforced within the block territory as without.

TRACK FOREMEN.

750.—When any rails, switches or ties which support switch boxes or track instruments are to be changed, or roadbed raised at a point where the wires from track run to signal apparatus, notice must be given to the Signal Inspector of that section, at least one day in advance.

751.—Care must be used in tamping ties and spiking rails and angle bars not to injure any bond wire or track connecting wires. When wires are broken, a temporary connection must be made and the Signal Inspector notified at once. See that no spikes are placed on bolts or point wedges allowed to become loose that are likely to make improper connection of the circuit at the switches.

752.—Section men must also be particular to see that all insulated joints are tamped frequently and solidly; that all bolts are kept tight in these joints, and that when wood plates and fibre end pieces are worn out they must be promptly renewed. A supply of wood plates, bolts, fibre angle plates and end pieces must be kept on hand.

753.—Uninsulated track gauges and hand cars must not be used within Block Signal limits.

LOCATION AND NUMBER OF SIGNALS.
THE MISSOURI PACIFIC RAILWAY.

LOCATION.	SINGLE TRACK.			
	Signal at east end of block.		Signal at west end of block.	
	Home.	Distant.	Home.	Distant.
Kirkwood	131	131 D	145	145 D
Kirkwood to Barretts	141	....	173	....
Barretts to Valley Park	171	....	199	....
Valley Park	191	191 D	209	209 D
Valley Park to Castlewood	201	....	225	....
Castlewood	231	231 D	254	254 D
Castlewood to Sherman	262	....	285	....
Sherman	291	291 D	309	309 D
Sherman to Yeatman	304	....	329	....
Yeatman	331	331 D	373	373 D
Yeatman to Eureka	371	....	396	....
Eureka	401	401 D	423	....
Allenton	431	....	453	453 D
Allenton to Pacific	463	....	473	....
Pacific	477	477 D	493	493 D
Pacific to Gray's Summit	501	....	513	....
Gray's Summit	511	511 D	523	523 D
Gray's Summit to Labadie	531	....	553	....
Labadie	561	561 D	584	584 D
Labadie to Boles	589	....	605	....
Boles	631	631 D	651	651 D
Boles to South Point	661	....	683	....
South Point	701	701 D	723	723 D
South Point to Washington	731	....	743	....
Washington	841	841 D	863	863 D

GGINS,
tant General Manager,
ST. LOUIS, MO.

E. A. GOULD,
neral Superintendent,
KANSAS CITY, MO.

W. J. McKEE,
Superintendent,
SEDALIA, MO.

T. E. BYRNES,
Superintendent of Transportation,
ST. LOUIS, MO.

RATING SHEET GIVING CAPACITY OF DIFFERENT CLASSES OF ENGINES IN TONS IN ADDITION TO WEIGHT OF ENGINE, TENDER AND CABOOSE.

EASTERN DIVISION.

	Baldwin Ten Engines, 18x30 Cylinder, 56-in. Wheel, Nos. 1 to 50.	Brooks Ten Engines, 19x30 Cylinder, 56-in. Wheel, Nos. 1268 to 1300.	Brooks Ten Engines, 19½x30 Cylinder, 56-in. Wheel, Nos. 1301 to 1361.	Rogers & Cooke Engines, 20x24 Cylinder, 60-inch Wheel, Nos. 765 to 794.		Consolidation Engines, 20x24 Cylinder, 50-inch Wheel, Nos. 945 to 974.		Baldwin 10-Wheel Engines, 20x26 Cylinder, 52-inch Wheel, Nos. 795 to 794, 975 to 980.		Baldwin Consolidated Engines, 20x28 inch Cylinder, 50-inch Wheel, Nos. 937 to 944.		Baldwin Mogul Engines, 18x22 Cylinder, 50-inch Wheel, Nos. 945 to 964.	
	200 Lbs.	200 Lbs.	200 Lbs.	200 Lbs.	180 Lbs.	160 Lbs.	180 Lbs.	160 Lbs.	180 Lbs.	160 Lbs.	145 Lbs.	145 Lbs.	
			Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
WEST BOUND–													
St. Louis to Kirkwood,	1200	1000	900	800	770								
Kirkwood to Pacific,	1600	1400	1300	1150	1100								
Pacific to Gray's Summit,	1250	1075	925	825	785								
Gray's Summit to Jefferson City,	2000	1800	1650	1400	1300								
Jefferson City to Kansas City,		2000	1800	1550	1450								
EAST BOUND–													
Kansas City to Jefferson City,		2000	1800	1550	1450								
Jefferson City to Labadie,	2000	1800	1650	1400	1300								
Labadie to Gray's Summit,	1200	1050	900	800	750								
Gray's Summit to Valley Park,	1650	1500	1350	1200	1225								
Valley Park to Kirkwood,	1175	975	875	775	730								
Kirkwood to St. Louis,	1700	1500	1400	1200	1100								
WEST BOUND–													
Jefferson City to Centertown,	1000	850	750	725	675								
Centertown to Otterville,	1700	1500	1400	1100	1050								
Otterville to Sedalia,	1000	850	750	700	650								
Sedalia to Pleasant Hill,	1150	1000	900	830	790								
Pleasant Hill to Little Blue,	1125	975	875	775	715	725	715	700	675	650	625	500	
Little Blue to Independence,	800	700	600	590	560	550	535	520	510	500	485	400	
Independence to Kansas City,	2250	2100	2000	1600	1700	1700	1600	1550	1475	1300	1240	1100	
EAST BOUND–													
Kansas City to Pleasant Hill,	800	700	600	575	545	535	510	515	490	495	475	390	
Pleasant Hill to Sedalia,	1150	1000	900	775	715								
Sedalia to Jefferson City,	1100	950	850	800	755								

1. Whenever passengers or em
everything must be done to care
If they are able to be moved, t
ment to the nearest place at whic
a surgeon. If they cannot be mo
Company surgeon. If the case
Company surgeon can not be im
the conductor, agent or officer in
to call the nearest surgeon availab
aid and care for the patient until
geon can take charge of the case
No surgical operation must be
arrival of the Company surgeon,
required for the immediate safet

2. In cases of serious accident
tors, after making everything sa
undivided attention to the care a
passengers, especially to those wh
ding and linen may be taken fro
purpose, the conductor keeping ca
material so taken, and its retur
attended to; and, when necessa
may be put in the sleepers.
When a number of persons are
of competent surgeons in the vici
be secured and every possible effo
the injured, the District Surgeon
wire to come immediately to the pl

3. When tramps, boys and othe
on or jumping from moving trains,
or lying on the track, are injured or

LOCATION O

Name.	Location
Hospital	St. Louis
Dr. W. B. Outten, Chief Surgeon	St. Louis
Dr. R. C. Blackmer	Benton St
Dr. Jno. Pitman	Kirkwood
Dr. H. A. Booth	Pacific
Dr. Jno. Isbell	Washington
Dr. W. F. Eimbeck	New Haven
Dr. W. C. Wessel	Hermann
Dr. A. H. Rickhoff	Chamois
Dr. E. R. Son	Osage
Emergency Station	Jefferson C
Dr. J. L. Thorpe, Div. Surgeon	Jefferson C
Dr. Chas. W. Chastain	Jefferson C
Dr. John P. Burke	California
Dr. L. M. Gray	California
Dr. S. H. Redmon	Tipton
Dr. A. E. Monroe	Otterville
Emergency Station	Sedalia
Dr. E. F. Yancey, Div. Surgeon	Sedalia
Dr. Geo. E. McNeil	Sedalia
Dr. L. C. Miller	Knobnoster
Dr. Jas. I. Anderson	Warrensbur

ENGINES IN TONS

CABOOSE.

Baldwin Consolidated Engines, 20x28 Inch Cylinder, 50-Inch Wheel, Nos. 897 to 936.		Baldwin Mogul Engines, 19x28 Cylinder, 50-Inch Wheel, Nos. 943 to 944.	
160 Lbs.	180 Lbs.	145 Lbs.	
Tons.	Tons.	Tons.	Tons.
650	625	500	
500	485	400	
1300	1240	1100	
495	475	390	

HOSPITAL DEPARTMENT INSTRUCTIONS.

AUGUST 12, 1906.

1. Whenever passengers or employes are injured, everything must be done to care for them properly. If they are able to be moved, take them for treatment to the nearest place at which the Company has a surgeon. If they cannot be moved, call the nearest Company surgeon. If the case is urgent and the Company surgeon can not be immediately procured, the conductor, agent or officer in charge is authorized to call the nearest surgeon available to administer first aid and care for the patient until the Company surgeon can take charge of the case.

No surgical operation must be performed until the arrival of the Company surgeon, unless it may be required for the immediate safety of the patient.

2. In cases of serious accidents to trains, conductors, after making everything safe, must give their undivided attention to the care and comfort of their passengers, especially to those who are injured. Bedding and linen may be taken from sleepers for this purpose, the conductor keeping careful account of all material so taken, and its return or safe keeping attended to; and, when necessary, injured persons may be put in the sleepers.

When a number of persons are injured the service of competent surgeons in the vicinity should at once be secured and every possible effort made to care for the injured, the District Surgeon being notified by wire to come immediately to the place of the accident.

3. When tramps, boys and other persons, climbing on or jumping from moving trains, or persons walking or lying on the track, are injured or killed, they should be sent to their homes or placed in charge of the local county, city or village authorities, and no expense incurred on the part of the Company in the matter.

4. A report of all accidents on Form 24 must be made, and immediately sent to Train Master, giving all information asked for on the blank.

In reporting accidents to trains carrying passengers, conductor should use Telegraph Form 154, giving the correct names of the injured and uninjured, the addresses and destination of all persons on the train, and of the injured, and the extent of their injuries. This report must be sent from first telegraph office to the General Claim Agent and to the Assistant Claim Agent in whose jurisdiction the accident occurs.

As soon as possible thereafter, Form 335 should be made out by each employe and forwarded to the Superintendent of the Division; a separate report being made for each person injured.

5. Every effort must be made to procure the names and addresses of all persons, outsiders as well as employes, who witnessed the accident, especially when persons are injured within the corporate limits of any city, town or village, or when crossing the tracks at a public highway.

6. In every case of personal injury in any Department, a full and complete report must be made at once on Form 335 by every employe immediately present, no matter whether he considers his statement of importance or not, answering every question as fully as possible.

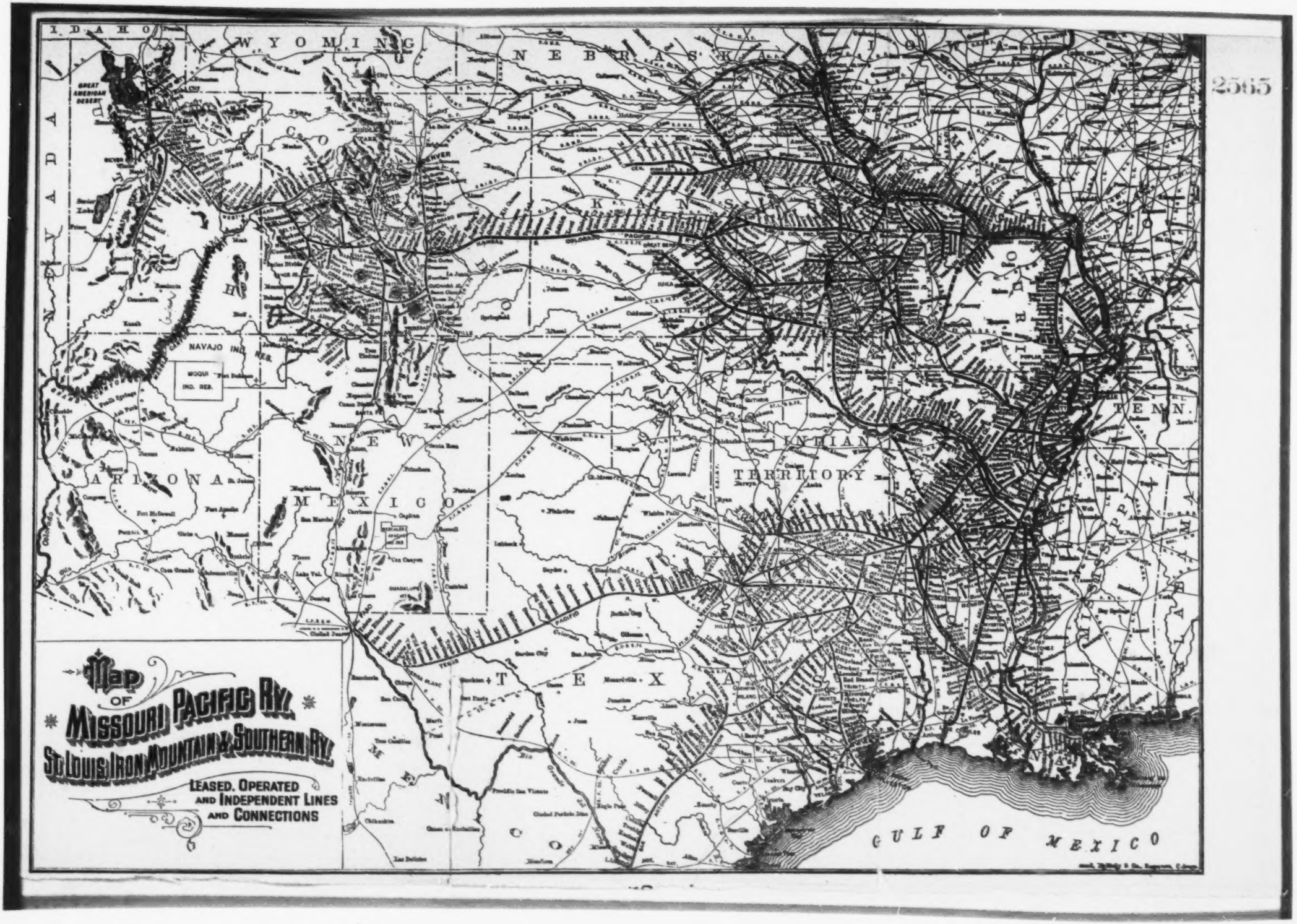
7. When persons are injured by an accident which may have been caused by defective appliances, tools or machinery, the car or appliance, tool or machinery must be immediately examined by the person in charge to ascertain its condition, and report made of the inspection on Form 153-Rev., giving the numbers and initials of cars examined, with names, occupation and address of the persons making the inspection. This inspection must be made before the car or engine leaves the place where the accident occurred, and afterwards at the first district terminal by the inspector, foreman or Master Mechanic at such point, the Superintendent of the Division to notify such person of the necessity of making such examination. When an accident is caused by the breaking of machinery, tools, appliances or rails, the broken parts must be so marked as to be readily identified and immediately turned over to the Superintendent of the Division.

8. This Company will not recognize any responsibility for board, medicine, nursing or surgical attention, except for the emergency service required under Rules 1 and 2, unless authorized by the Superintendent of the Division, Claim Agent, or a general officer of the Company, and when so authorized the Chief Surgeon should at once be notified.

LOCATION OF HOSPITAL, EMERGENCY STATIONS, DIVISION AND LOCAL SURGEONS.

Name.	Location.	Office.	Residence.
Hospital	St. Louis	California and Eads Avenues.	
Dr. W. B. Outten, Chief Surgeon	St. Louis	California and Eads Avenue	3515 Pine St.
Dr. R. C. Blackmer	Benton Station	6773 Manchester Ave.	6773 Manchester Ave.
Dr. Jno. Pitman	Kirkwood	Opposite Depot	Kirkwood.
Dr. H. A. Booth	Pacific	St. Louis St., bet. 1st and 2nd	1st and Walnut.
Dr. Jno. Isbell	Washington	Main and Jefferson Ave.	Main and Jefferson Ave.
Dr. W. F. Eimbeck	New Haven, Mo.	New Haven	New Haven.
Dr. W. C. Wessel	Hermann	Hermann	Hermann.
Dr. A. H. Riekhoff	Chamois	Cherry and 1st Sts.	Cherry and 1st Sts.
Dr. E. R. Son	Osage	High St., Bet. 2d and 3d	High St., Bet. 2nd and 3d.
Emergency Station	Jefferson City	111 W. High St	111 W. High St.
Dr. J. L. Thorpe, Div. Surgeon	Jefferson City	111 W. High St	111 W. High St.
Dr. Chas. W. Chastain	Jefferson City	124 E. High St	
Dr. John P. Burke	California	Oak and Smith Sts	Oak and Smith Sts.
Dr. L. M. Gray	California	High St	Owen and Cedar.
Dr. S. H. Redmon	Tipton	City Hotel	Morgan & Osage.
Dr. A. E. Monroe	Otterville	Over Potter's Drug Store	N. W. of Depot.
Emergency Station	Sedalia	M., K. & T. Ry. Hospital	Broadway and Hancock.
Dr. E. F. Yancey, Div. Surgeon	Sedalia	M., K. & T. Ry. Hospital	Broadway and Hancock.
Dr. Geo. E. McNeil	Sedalia	M., K. & T. Ry. Hospital	Broadway and Hancock.
Dr. L. C. Miller	Knobnoster	Bank Building	East McPherson St.
Dr. Jas. I. Anderson	Warrensburg	100 Pine St	219 E. Market St.

Name.	Location.	Office.	Residence.
Dr. L. F. Murray	Holden	E. Second St.	305 Olive St.
Dr. H. Jerard,	Pleasant Hill	Paul St.	Oak & Campbell St
Dr. H. S. Prentice	Pleasant Hill	Building & Loan Bldg.	E. 2nd St.
Dr. T. J. Ragsdale	Lees' Summit	Harbaugh Bldg.	Douglas Street.
Dr. B. F. O'Daniel	Independence	Clinton Block	824 Maple St.
Emergency Station	Kansas City, Mo.	706 & 708 W. 10th St.	706 and 708 W. 10th St.
Dr. Geo. F. Hamel, Div. Surgeon	Kansas City, Mo.	706 & 708 W. 10th St.	706 and 708 W. 10th St.
Dr. H. A. Longan	Kansas City	300 Hewson Building	3600 Main St.
Dr. M. C. Starkloff	Carondelet	7619 S. Broadway	7619 S. Broadway.
Dr. R. Q. Kelly	Versailles	Versailles Drug Co.	Campbell St.
Dr. John R. Leonberger	Boonville	96 5th Street	705 6th St.
Dr. F. R. Smiley	Boonville	Boonville Sanitarium	916 Main St.
Dr. D. F. Manning	Marshall	52½ Arrow St.	754 S. Odell Ave.
Dr. W. A. Braecklein	Higginsville	Higginsville Pharmacy	Vaughan and Main Sts.
Dr. C. T. Ryland	Lexington	Seiling Building	Lexington.
Dr. Robert B. Watts	Napoleon	Napoleon	Napoleon.
Dr. W. S. Allee	Olean	California St.	Maple St.
Dr. J. W. Temple	Eldon	Bank Building	Grand Ave., South.
Dr. M. L. Sands	Cole Camp	2d and Locust Sts.	2d and Locust Sts.
Dr. E. L. Rhodes	Lincoln	East Main	West Main.
Dr. S. O. Davis	Warsaw	Warsaw	Warsaw.


Map of Missouri Pacific Ry.
St. Louis, Iron Mountain & Southern Ry.
Leased, Operated and Independent Lines and Connections
IDAHO
WYOMING
NEBRASKA
IOWA
NEVADA
KANSAS
MISSOURI
ARIZONA
NEW MEXICO
INDIAN TERRITORY
TEXAS
TENN.
GULF OF MEXICO
NAVAJO IND. RES.
MOQUI IND. RES.
GREAT AMERICAN DESERT
2565

CHARTS

TOO

LARGE

FOR

FILMING

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5225*b* The evidence taken before the Master in cause #3000, The Wabash Railway Company vs. John A. Knott, et al., referred to in the certificate on the Trial Judge as "Four volumes of testimony marked I to IV inclusive in case 3000, Wabash Railroad" is in the words and figures following, to-wit:

5226*a* THE WABASH RAILROAD COMPANY, Complainant,

vs.

HERBERT S. HADLEY, Attorney General of the State of Missouri, et al., Defendants.

ST. LOUIS, MO., *Sept.* 7, 1906.

Pursuant to notice heretofore given on the — day of ——, 1906, the above mentioned cause came on for hearing before the Special Master, at the Federal Building, in the City of St. Louis, Missouri, on the 7th day of September, 1906, whereupon the following proceedings were had:

The MASTER: Now, gentlemen, what have you to say with respect to the case of the Wabash Railroad Company?

Mr. MINNIS: My understanding is that the Wabash case will not be taken up until after the Burlington case has been concluded. That is the understanding I have had.

The MASTER: There is no understanding of that sort, so far as the Master is concerned. I do not know what agreement there may be between Counsel. It will be exceedingly agreeable to me to proceed with any case now.

Mr. MINNIS: We have no stipulation; of course, that we could not proceed with two cases at the same time. I understood that the Burlington case was to be the first one tried, and I naturally concluded that we would come in after the Burlington case.

5227*a* General HADLEY: My idea was that we should complete the Burlington case before taking up the Wabash case; and our experts have not completed their examination of the Wabash books. Mr. Taliaferro tells me that for the last ten days, or two weeks they have been working double shifts, day and night, hoping to complete the work by today, but it will be several weeks before they are complete. But we expect to proceed, so far as anything we now know is concerned, with the complete disposition of the Burlington case. Then we thought there would be a complete disposition of the Wabash case, followed by a complete disposition of the Missouri Pacific case, and then proceed with the other two roads in the order named.

The MASTER: Are you able to fix a definite time for the hearing of the Wabash case?

General HADLEY: No sir; because the length of time it will take to hear the Burlington case, is, of course, something that we cannot with any definiteness anticipate. I think it will take a week to hear the Burlington case. That would be my opinion of it. Immediately upon the completion of that hearing, it was my understanding—whether it arose from communication between Mr. Ladd or Counsel in my absence, or whether it was an understanding arrived at at the previous hearing here, I do not now recall. But it was my idea that we would go into the Wabash case as soon as we had completed the Burlington case, but that we would complete the Burlington case first.

5228*a* The MASTER: The understanding is that the hearing of the Wabash case will immediately follow the completion of the Burlington case?

General HADLEY: Yes sir.

The MASTER: Not being able to further proceed with the Wabash case, the hearing is adjourned to further notice by the Master to Counsel.

Mr. MINNIS: I would like to make this suggestion, that when we say it shall follow immediately the Burlington case, I think in view of the fact that the statements of the experts are merely to make record evidence in the case, we should have reports made by the State's experts in respect to what they found, in order that we may prepare for cross-examining those experts.

General HADLEY: I think there will be no difficulty. There is no policy of mysteriousness upon our side in this matter.

Mr. MINNIS: It might take a little time. I do not want to consent that it should immediately follow the Burlington case.

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General HADLEY: We expect to have our statement in two or three days, and will immediately forward it to you.

The MASTER: The hearing has continued over from time to time until these papers could be passed back and forth, and unless that proceeding should proceed more rapidly than it has up to this time, it will be an almost indefinite postponement of the hearing. If you are not able to re-examine the witnesses after the examination by the State, opportunity, of course, will be
5229*a* given you to do so. I think it is best to leave it in that position.

Thereupon the further hearing of testimony in the Wabash case is continued subject to further notice by the Master to Counsel.

5230*a* ST. LOUIS, MO., *Nov.* 20, 1905.

In pursuance of notice to parties, through their respective counsel, the hearing in the case of the Wabash Railroad Company vs. Herbert S. Hadley, Attorney General, et al., is taken up at the Federal Building, St. Louis, Mo., on Tuesday, November 20, 1903. Present: Mr. F. L. Schofield, Special Master. Mr. James L. Minnis appeared in behalf of the Complainant. Mr. John Kennish, and Mr. S. B. Ladd, appeared in behalf of the Defendant-.

The following proceedings were had:

THOMAS J. TOBIN, a witness of lawful age, being duly produced, sworn and examined in behalf of the Complainant, testified as follows:

Direct examination.

By Mr. J. L. MINNIS:

Q. What is your name?
A. Thomas J. Tobin.
Q. Where do you live?
A. St. Louis, Missouri.
Q. What is your business?
A. Auditor of the Wabash Railroad Company.
Q. How long have you been Auditor of the Wabash Railroad?
A. Since July, 1905.
Q. Were you connected with the Company before that time?
5231*a* A. Yes sir, I have been connected with the Company since 1880.
Q. What duties did you perform just before you were Auditor?
A. I was Assistant Auditor for a number of years.
Q. Have you been constantly employed in the Auditing Department of the Wabash Railroad since 1886?
A. Practically all my life, yes sir.
Q. Are you familiar with the route of the Wabash Railroad?
A. Yes sir.
Q. And with the stations?
A. Yes sir.

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Q. I will hand you a folder of that Company, which I will ask to have marked "Complainant's Exhibit 1": What is this folder?

A. It is the folder published by the Passenger Department of the Wabash Railroad Company, issued October, 1906.

The pamphlet referred to is marked "Complainant's Exhibit 1" and a copy thereof is attached hereto.

5232*a* Q. Does Exhibit 1 contain a map?

A. It does.

Q. I will ask you whether or not that map indicates the route of the Wabash system, substantially.

A. Yes sir.

Q. And the States through which it runs?

A. Yes sir.

Q. I notice in the folder, Exhibit 1, a caption "Station Index," and under that caption follows the names of what purport to be the stations on the Wabash system. I will ask you whether or not the statement there with respect to the stations on the Wabash Railroad is correct, or substantially so?

A. On what page is that?

Q. Pages 5, 6, 7 and 8.

A. Yes sir, that is substantially correct.

Q. Those stations are located along the line of the Wabash Railroad?

A. Yes sir.

Q. What is the transaction that occurs between a shipper at any one of these stations, and the agent, at the time of making a shipment?

A. A shipper who has a shipment to make—take it say from Moberly to Kansas City; a shipment that is made at Moberly, a way-bill is made by the agent, covering the shipment, and an impression copy of that way-bill is sent to the Auditor's office.

5233*a* Q. To your office?

A. To the Auditor of Freight Accounts.

Q. What does the way-bill show?

A. All the details; the weight, rate, commodity, point of origin and point of destination.

Q. Weight, commodity, rate, point of origin and point of destination?

A. Yes sir.

Q. And also the amount of charges, doesn't it?

A. Yes sir, it shows the charges.

Q. What is done with the copy that is not forwarded to the Auditor's office?

A. The original way-bill goes with the car to destination.

Q. What becomes of that?

A. It is finally filed at the point of destination, by the agent.

Q. In his office?

A. Yes sir, in his office.

Q. Do you keep in your office impression copies of these numerous way-bills that represent the shipments on the Wabash system?

A. Yes sir.

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Q. How is the Auditing Department of the Wabash Railroad organized? How many departments are there?

A. There is the Auditor, the Auditor of Freigth Accounts, the Auditor of Passenger Accounts, and Freight Claim Agent.

5234. Q. The position you occupy is that of Auditor?

A. Yes, sir.

Q. What are the duties of that position?

A. The Auditor has charge of the general books of the Company and all of the accounts of the Company.

Q. Of what does the Auditor of Freight Accounts have charge?

A. The Auditor of Freight Accounts has charge of all of the freight business of the Company, that is, he is the Freight Accountant.

Q. What are the duties of the Auditor of Passenger Accounts?

A. The Auditor of Passenger Accounts looks after the auditing of the tickets; everything in connection with the sale of and revenue from tickets.

Q. He is the Accountant of passenger transactions?

A. Yes sir, he is the particular accountant for that.

Q. The Claim Agent, I believe looks after freight claims?

A. Yes sir, the settlement of freight claims.

Q. Mr. Tobin, have you prepared a statement, or has a statement been prepared under your direction, from the data in your office, to show the decrease in the revenue of the Wabash Railroad Company for the years 1904 and 1905, which would have resulted from charging the rates mentioned in the Bill of Complaint for carrying the commodities mentioned in that bill, during that period?

A. Yes sir. (Producing statement.)

5235 The paper referred to is offered in evidence and is marked "Complainant's Exhibit 2."

Said paper is in the words and figures following, to wit:

5236 Q. I hand you statement, "Complainant's Exhibit 2," and will ask you if that is the statement you prepared?

A. Yes sir.

Q. From what was the statement Exhibit 2 prepared, Mr. Tobin?

A. The figures were all taken from the way-bills.

Q. From the way-bills?

A. Yes sir.

Q. Do you keep in your office a separate account of the Missouri intra-state earnings, and the earnings in Missouri arising from inter-state shipments?

A. We prepared such a statement, under directions, in this specific case. We do not keep it ordinarily, but we prepared it.

Q. You don't keep your books in that way?

A. No sir.

Q. This Exhibit 2 purports, according to its caption, to be as follows: "Wabash Exhibit showing decrease in intra-state freight earnings in Missouri, had the commodities mentioned in the Act of 1905 been carried at maximum rates": I will ask you if you have ascertained, in making this statement, the shipment of the

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commodities mentioned in the Act of 1905, carried during the year 1904 and 1905?

A. Yes sir.

Q. In getting the figures on this statement Exhibit 2, you simply applied the rates prescribed by the Act of 1905 to those actual shipments, did you?

5237 A. Yes sir.

Q. The first item on this Exhibit is as follows: "Total revenue received on inter-state business on commodities mentioned in the Act of 1905"; then in the column headed "1904" appears the sum "$133,793.02"; and in the column headed "1905" appears the sum "$163,019.83":

I will ask you if those figures represent the total revenue received by the Wabash Railroad on intra-state business, on the commodities mentioned in the Act of 1905, for the years 1904 and 1905, as indicated on statement?

A. Yes sir, with perhaps some modification that may have to be made.

We find that in arriving at those figures we included the live stock from Kansas City. That is, we included the revenue on all live stock from Kansas City destined to points in Missouri, as intra-state traffic. Now, we are satisfied that a great deal, or at least some, of that business should be classed as inter-state traffic; and I think our figures ought to be modified to that extent.

Q. How about the way-bills? What do the way-bills show with respect to live stock shipments from Kansas City to points east?

A. The way-bills are made from the Kansas City Stock Yards. Generally speaking, I understand that most of the stock chutes at Kansas City are located in Kansas City, Kansas. I believe they are built just about on the line. In fact, I believe there are one

5238 or two chutes built in Missouri, while the others overlap and are in Kansas.

Q. How many are in Kansas?

A. I don't know how many chutes are there; but I believe possibly one or two chutes are in Missouri and the balance are in Kansas.

Q. Th. ou would say that the figures mentioned are correct with the exception that it may appear on investigation that the shipments of stock from Kansas City, the revenue from which is included here, should be deducted because it was inter-state commerce?

A. Yes sir; that is, deducted from the intra-state and added to the inter-state traffic.

Q. But so far as these items are concerned, if any of that business was inter-state business, the revenue derived from it would be deducted from these figures I have just mentioned?

A. Yes sir.

Q. Item 2 on Exhibit 2 reads "Total which would have been received therefor had commodities been carried at maximum rates named in the Act of 1905, based on Wabash mileage"; under the

column headed "1904" appears the sum "$101,387.06"; and under "1905" appears the sum "$126,445.73":

I will ask you if those figures represent the sum of money that the Wabash Company would have received had the commodities mentioned in the Act of 1905 been carried during those two years at the maximum rates mentioned in the Act, based on Wabash
5239 mileage?

A. I would state that these figures are correct; based on Wabash mileage.

Q. What do you mean by "based on Wabash mileage"?

A. In computing these figures we took the straight Wabash mileage, and to explain it more definitely I will give you an example: Take, for instance, a shipment from Kansas City to Chillicothe; the C., M. and St. P. mileage is 86 miles; the Wabash is 125 miles: We used one hundred and twenty-five miles in computing these figures.

Q. In other words, you applied the rate to the actual mileage of the Wabash Company between the points of origin and destination?

A. Yes sir.

Mr. LADD: Let me see if I understand that: You say you used the Wabash mileage in computing these figures?

A. Yes sir.

Q. And you used Chillicothe station as an illustration?

A. Yes sir.

Q. What figures do you mean? Do you mean the second row of figures in this Exhibit 2?

A. Yes sir.

Q. That is, in computing the amount you have received if you had compiled with the Act of 1905?

A. Yes sir.

Q. That does not apply to the first row of figures on Exhibit 2, the amount actually received?

A. No sir. The first figures show the amount actually re-
5240 ceived. In arriving at the figure we would have received, we used the Wabash mileage.

Mr. MINNIS: Q. In other words, the first item on Exhibit 2, total revenue received on intra-state business on commodities mentioned in the Act of 1905, represents the actual revenue received from the actual shipments as they were made?

A. Yes sir.

Q. Whereas the computation in the second item, which shows what would have been received for the same service, had the maximum rates of 1905 been applied, is computed strictly on Wabash mileage?

A. Yes sir.

Q. That is to say, if a shipment was received at Kansas City, destined for Chillicothe, you have figured the rates of 1905 as applying to the actual mileage on the Wabash line between Kansas City and Chillicothe?

A. Yes sir.

Q. Whereas you state that the competitor's mileage is much shorter?

A. Yes sir.

Q. I believe you said it was 86 miles?

A. Yes sir. If we had used the short line mileage, it would reduce these figures to that extent.

Q. What do the actual transactions referred to in the first item show in respect to whether short line mileage or Wabash mileage was used in fixing the sums charged for the shipments there mentioned?

5241 A. Well, we were governed by the rates altogether, which are made by the traffic department, and I cannot answer that question.

Q. That was a traffic question?

A. Yes sir; a traffic question.

Q. You say that if you had used short mileage, that is, the mileage of the shortest line between the point of origin and destination, in compiling the figures *w*hown by the second item in Exhibit 2, it would have reduced the amounts, would it?

A. Yes sir, it would reduce them. You understand, this is only one example I have given. There are other points of a similar nature, but I gave only one example to illustrate.

Q. The next item on Exhibit 2, being the third item, is as follows: "Making a total diminution in revenue": and under the year 1904 appears the figures $36,574.10:

Do those figures represent the total amount of the diminution in revenue figured on the basis you have indicated, had the commodities covered by the Act of 1905 been carried at the maximum rates named in the Act?

A. Yes sir.

Q. That is to say, if the Wabash Railroad Company had charged the maximum rates mentioned in the Act of 1905 for the commodities mentioned in that Act, which it carried during the year 1904, the revenue derived therefrom would have been $32,405.96 less than the actual revenue received during the same year for that

5242 business.

A. Yes sir.

Q. And the same applies with respect to the year 1905?

A. Yes sir.

Q. Except that the diminution is $36,574.10 for that year.

A. Yes sir.

Q. The fourth item reads "reduction in percentage of the intrastate business," and under 1904 appears "24.2 per cent." and under 1905 appears "22.4 per cent.":

Have you figured the percentage and are you able to state that those figures corrected represent the percentage of reduction?

A. Yes sir.

The MASTER: Q. Does that refer to the percentage of reduction in the business, or to the percentage of reduction in the receipts arising from the business?

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A. It is the reduction of percentage of the receipts arising from ie business.

Q. The item reads "reduction in percentage of the intra-state nsiness.

A. It is simply a percentage of the figures previously shown.

Mr. MINNIS: Q. And has to be read in connection with what im-ediately precedes?

A. Yes sir.

Q. So the percentage here given represents the reduction in the percentage of earnings, which would have resulted had the
243 maximum rates of 1905 applied to the commodities therein mentioned, carried during the years 1904 and 1905?

A. Yes sir.

Q. That is, it shows in percentage the reduction in revenue?

A. Yes sir; that is it; the reduction in revenue.

The MASTER: I would suggest that the exhibit be amended so as o show that.

Mr. MINNIS: I will have the correction made, so as to show ex-ctly what it is meant to be.

Q. The fifth item reads "The total receipts from all intra-state freight business in Missouri were"; and under 1904 appear the figures "$688,242.18" and under 1905 appear the figures "$717,-221.68":

Is that item as stated correct?

Mr. TOBIN: A. Yes sir.

Q. The sixth item reads "from which deduct diminution in rev-nue which would have resulted had commodities been carried at the maximum rates named in the Act of 1905":

Under 1904 appear the figures "$32,405.26"; and under 1905 appear the figures "$36,574.10";

You have testified that these amounts just mentioned were cor-rect, when we referred to that before.

A. Yes sir.

Q. Item seven of Exhibit 2 reads as follows: "earnings which would have been received from all intra-state business in Missouri had commodities been carried at maximum rates named
5244 in the Act of 1905": Under 1904 appear the figures $655,-836.92"; and under 1905 appear the figures "$680,647.58":

Those figures represent the total receipts from all intra-state busi-ness, or the earnings in Missouri, less the diminution in revenue which would have resulted had the commodities covered by the Act of 1905 been carried at the maximum rates named in that Act, don't they?

A. Yes sir.

Q. Item eight reads "expense of doing intra-state freight business in Missouri based upon the percentage that the intra-state freight earnings in Missouri bear to the total freight earnings in Missouri, to which expense must be added the extra cost of doing intra-state freight business, to be hereafter determined by expert testimony;"

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and under 1904 appear the figures "$843,999.17"; and under 1905 appear the figures "$761,880.85":

That item is correct as stated, is it Mr. Tobin?

A. Yes sir.

Q. Item nine is "deficit"; and under 1904 appears the figures "$188,162.25" and under 1905 appear the figures "$81,233.27":

I will ask you whether those figures are correct, according to the purport of the statement.

A. Yes sir.

Q. Item ten reads as follows: "to which deficit should be added additional cost of doing intra-state business, as determined by expert testimony." Blank spaces are indicated for the figures, which
5245 are not given.

A. Yes sir.

Q. Have you any knowledge as to what those figures are, or with respect to the difference in cost between intra-state business and inter-state business, in Missouri?

A. No sir.

Q. At the end of Exhibit, item 11, appears the following: "Note: Excludes all traffic on which the application of the rates fixed by the Act of 1905, would increase the revenue of the Wabash Railroad Company." I will ask you to explain that note, Mr. Tobin?

A. In arriving at those figures showing the total revenue covered by the second item on Exhibit 2, the total which would have been received therefor had the commodities been carried at maximum rates, we excluded all traffic where the application of the rates would increase the revenue of the Wabash Railroad Company, and included them only where there would be a decrease in our revenue.

Q. That is the only respect, is it, in which the note modifies, or could modify the figures given in the statement?

A. Yes sir.

By the MASTER:

Q. Then as I understand it, Item 2 on this Exhibit 2 should be read with the qualification, namely, that the total which would have been received therefor had the commodities been carried at the maximum rates named in the Act of 1905, except in cases where
5246 the Road actually charged on certain named commodities in that Act less than the Act of 1905 would have authorized, if applied?

A. Yes sir.

Q. Referring again to the first item on Exhibit 2, the total revenue received on intra-state business on the commodities mentioned in the Act of 1905, I will ask how you arrived at the figures shown in that item?

A. The information was taken right from the way bills, and the records in the office of the auditor of freight accounts.

Q. And the figures shown in the second item were arrived at by applying the rates prescribed by the act of 1905 to the actual transactions as shown in the way bills, covered in the first item?

A. That is right; yes, sir.

Q. Referring to the fifth item on Exhibit 2, the total receipts from all intra-state freight business in Missouri, I will ask you how you arrived at the figures given in that item?

A. These figures were also actually compiled from the way bills and the records in the office.

Q. And the figures in item 7 were arrived at by applying to the actual transactions mentioned in item 5, the receipts as prescribed by the Act of 1905: is that correct?

A. Yes sir.

Q. As qualified by the note at the bottom of the exhibit?

A. Yes sir.

Q. Mr. Tobin, I will ask you if in arriving at the figures mentioned in item 8 on Exhibit 2, which shows the expense of
5247 doing intra-state freight business in Missouri, based upon the percentage that the intra-state freight earnings in Missouri bear to the total freight earnings in Missouri, to which expense must be added the extra cost of doing intra-state freight business, to be hereafter determined by expert testimony: you prepared the statement, which shows the method you adopted in arriving at those figures?

A. Yes sir.

Q. I will hand you a paper, and ask you if this is a statement that you prepared?

A. Yes sir.

The paper refered to is offered in evidence and is marked "Complainant's exhibit 3."

Said paper is in the words and figures following, to-wit:

5248 Q. How did you arrive at the figures shown in item 8 on Exhibit 2?

A. We first determined what the total operating expenses for Missouri were, for the two years. We arrived at those figures in this way:

On July 1, 1905, we commenced to keep the expenses separately, by States, and we had compiled the figures for the State of Missouri for the six months ending December 31, 1905. We then took the figures for these six months, and struck a percentage, and used this percentage for arriving at the figures for the previous eighteen months. After we arrived at the total operating expenses for Mis- per cent. We took sixty-five per cent. of the total operating expense would be, and we found that the freight proportion was sixty-five per cent. We took sixty-five per cent. of the total operating expenses for Missouri, and arrived at the freight proportion of the operating expenses for Missouri, in order to determine what the expenses of doing the intra-state freight business were. We took the percentage that the intra-state freight earnings in Missouri would bear to the total freight earnings in Missouri, and we applied the percentage to the freight expenses, which gave us the result shown in item 8 on Exhibit 2.

Mr. MINNIS: I will offer in evidence a paper, which I will ask to have marked "complainants exhibit 4".

The paper referred to is so marked, and is in the words and figures following, to wit:

5249 Q. I hand you Complainant's Exhibit 4 and will ask you to state what that is.

A. Exhibit 4 shows the total number of miles operated by the Wabash Railroad, and the number of miles operated in Missouri? Also a statement of the earnings and expenses in Missouri for the years 1904 and 1905.

Q. When did you prepare Exhibit 4? In what connection, and for what purpose?

A. This statement Exhibit 4 was prepared for the purpose of showing the earnings and expenses in Missouri for the two years mentioned, in connection with the Maximum Rate Case.

Q. The case we are now talking about?

A. Yes.

Q. Exhibit 4 shows the total number of miles operated as 2,517.2: is that the mileage of the entire System?

A. Yes sir.

Q. The miles operated in Missouri as given in Exhibit 4 as 654 miles: Is that the correct mileage in Missouri of the Wabash Railroad?

A. Yes sir.

The usual hour for recess having arrived, adjournment was taken until 2 o'clock.

After recess on Tuesday, November 20th, the direct examination of Mr. T. J. Tobin was continued as follows, by Mr. J. L. Minnis.

Q. Mr. Tobin, Item 1 on Exhibit 4 indicates that $688,242.18 was earned by the Wabash Railroad Company during the year
5250 1904 on intra-state freight business in Missouri: Are those figures correct?

A. Yes sir.

Q. And that the Company earned during the same period, from inter-state traffic having its origin or place of destination in Missouri, the sum of $1,780,681.38?

A. Yes, or passing through the State.

Q. Are those figures correct?

A. Yes sir.

Q. How did you arrive at those figures?

A. The figures were taken from the way-bills and the records in the office.

Q. Taken from the way-bills and the records?

A. Yes sir.

Q. How did you divide the earnings arising from the shipments from which that revenue was derived?

A. All intra-state freight earnings within the State of Missouri were credited to intra-state earnings. All earnings on business originating within the State and passing beyond, or coming from out of the State to within the State, or passing through the State, we treated as inter-state earnings and so applied it.

Q. Do you mean to say that these figures here, designated as inter-state freight earnings, represent the total revenue received for the carrying of the commodities, or does it represent a percentage of the total revenue received from the shipments?

A. In some cases it is represented by the percentage. We
5251 made the division by using the regular established percentages.

Q. For instance, if a shipment should be made from Kansas City to Chicago, that would be inter-state business transacted in Missouri?

A. Yes sir.

Q. Now, do these figures include the entire revenue arising from such a shipment?

A. It includes a percentage proportion, which was assigned to Missouri, of the through shipment.

Q. That is what I am getting at: In other words, the $1,780,-681.38 on Exhibit 4, item 1, under the heading "inter-state" represents the revenue arising from business which had its origin in Missouri, and destined beyond Missouri, or its origin beyond Missouri and its destination in Missouri, or with both origin and destination beyond Missouri and passing through Missouri: That you have apportioned to the State of Missouri?

A. Yes sir, those figures represent that. They represent Missouri's proportion arising from that business.

Q. What method did you use in making the apportionment of the total revenue arising from the character of business mentioned in the last question?

A. We apportioned the earnings between Missouri and the other States through which the business passed, upon established percentages.

Q. Take the business destined from Missouri to points east of the Mississippi, by way of Hannibal: On what basis did you make
5252 the apportionment between the States?

A. We prorated that business upon these established percentages. These percentages vary according to the territory they cover.

Q. Can you state what the percentage was that was allowed to Missouri?

A. I have not the figures at hand, no sir.

Q. Who made those figures?

A. Those figures were prepared by our Mr. Berger, our Auditor of Freight Accounts, and he can testify to the detail.

Q. With respect to the percentage that was allowed to Missouri, and the basis upon which the division was made?

A. Yes sir.

The MASTER:

Q. What do you mean by "established percentages"?

A. The traffic department gives us the basis for making the division of through rates, and we are governed by these percentages which they establish.

Q. Were these percentages established anterior to this suit, or merely for the purposes of this suit?

A. They have been established and in effect for years.

Mr. MINNIS:

Q. Then you apportioned the earnings derived from inter-state business in Missouri in accordance with the usage that has been pursued by a company for many years?

A. Yes sir.

Q. The details of that matter are not within your knowledge?

5253 A. There are so many different percentages, that I have not the details here.

Q. Mr. Berger, the Freight Auditor, would know more about that?

A. Yes sir.

Q. The books and papers in your office, then, show that the proportion of earnings derived from inter-state shipments mentioned above, and apportioned in accordance with the usage of the company, amounted to $1,780,681.38, allowable to the State of Missouri?

A. Yes sir.

Q. As its share of the total earnings on that class of business?

A. Yes sir. That is on all classes of inter-state business.

Q. By "all classes of inter-state business" you mean what?

A. All inter-state business.

Q. That is, that which is in any way connected with Missouri, whether it originated in Missouri, was delivered in Missouri, or passed through Missouri?

A. Yes sir.

Mr. MINNIS:

Q. In order to simplify the term "inter-state earnings," which is complicated, why can't we use the term "State inter-state earnings" as indicating inter-state earnings that have anything to do with the State of Missouri, and save a repetition of that term all the time?

Q. What business do you intend to cover by the word "inter-state" as used on Exhibit 4?

5254 A. That includes business originating within the State and going out; or originating out of the State and destined within the State; and business passing through the State.

Q. That is what you call inter-state business in Missouri?

A. Yes sir.

Q. Item 1 on Exhibit 4 shows that the total earnings in Missouri during the year 1904, derived from intra-state and inter-state business were $2,468,923.56: That is correct, is it?

A. Yes, sir.

Q. Item 1 on Exhibit 4 shows that the Company earned in Missouri during the year 1905, from carrying intra-state shipments $717,221.68: That is correct, is it?

A. Yes sir.

Q. Those figures were taken from the way-bills?

A. Yes, sir.

Q. Item 1 on Exhibit 4 shows that the Company earned during the year 1905 from inter-state business $2,057,787.58?

A. Yes, sir.

Q. Those figures represent Missouri's proportion of the revenue derived from shipments which come within the definition you have given of inter-state business, don't they?

A. Yes, sir.

Q. Apportioned upon the established usage of the Company for many years?

A. Yes, sir.

Q. The total earnings derived from both classes of business above referred to, for the State of Missouri, for the year 1905 were
5255 $2,775,009.26: That is correct?

A. Yes sir.

Q. Item 2 of Exhibit 4 shows that during the year 1904 the Company earned on intra-state passenger business in Missouri the sum of $1,507,907.92: How did you get those figures?

A. Those figures are the earning from the passenger business within the State of Missouri; that is, business originating and ending within the State.

Q. Where did you get the figures?

A. I got them from the records and books in the Auditor of Passenger Accounts' office.

Q. Those are the actual transactions?

A. Yes, sir.

Q. The same item shows that the Company derived from inter-state passenger business during the same year $1,238,426.64.

A. Yes, sir.

Q. Those figures represent the portion of the total earnings derived by the Company from inter-state business, as you have defined it, allotted to Missouri?

A. Yes, sir.

Q. How did you make a division of those earnings?

A. The division of passenger earnings, as a rule, is made upon a straight mileage pro-rate; in other words, upon a mileage basis. We will take for example a ticket reading from Toledo to Kansas City. The amount apportioned to Missouri is their proportion of the entire mileage of the ticket.

5256 Q. Has that method of division been pursued by the Company many years?

A. Yes sir, it is an established method.

Q. The same item shows that the total earnings for the year 1904 from intra-state and inter-state passenger business were $2,945,-934.56: That is the correct amount, is it?

A. Yes sir.

Q. The same item shows that the Company earned during the year 1905, from intra-state passenger business in Missouri $1,078,692.98: Where did you get the figures that enter into that item?

A. These figures were Missouri's proportion of the intra-state earnings for the year 1905, covering business originating in and destined to the State of Missouri.

Q. Where did you get the figures?

A. From the books and the records in the office of the Auditor of Passenger Accounts.

Q. You got them from the actual transactions?

A. Yes sir, the actual transactions.

Q. Item 2 of Exhibit 4 also shows that during the year 1905 the Missouri inter-state earnings of the Company from Passenger business were $700,074.63: Do these figures represent the proportion of the total earnings from inter-state business, as above defined by you, allowable to Missouri?

A. Yes sir.

Q. The total earnings on both classes of business for the year 1905, as shown by Item 2 of Exhibit 4 are $1,778,767.61
5257 Are those figures correct?

A. Yes sir.

Q. Item 3 of Exhibit 4 reads: "From mail express and miscellaneous": What is included in the figures shown in that item, aside from mail and express?

A. That item consists of mail, express and miscellaneous freight earnings, arising from switching, car services, etc.

Q. Switching service?

A. Yes, sir; switching service.

Q. Car service?

A. Car service. And miscellaneous passenger earnings consisting principally of extra baggage collections.

Q. You mean excess baggage collections?

A. Yes sir.

Q. According to that item the Company earned during the year 1904, from mail, express and miscellaneous intra-state business the sum of $348,695.03: Is that correct?

A. Yes sir.

Q. How did you arrive at that sum? From the actual transactions, or how?

A. From the records of the Auditor's office.

Q. From the transactions?

A. Yes sir; from the transactions. For instance, the mail earnings, we have certain mail routes, and we divide that according to the routes. For example, if a mail route was wholly within the State, the full amount would be credited to intra-state earnings. If the route lapped over from one State into another State—for
5258 instance, from one point in Illinois, to a point in Missouri, we would divide on a pro-rate basis. That is inter-state business, and we would allow each State its proportion. The express earnings we also pro-rate upon a straight mileage basis.

Q. Item 3 of Exhibit 4 shows that the Company earned during the year 1904, from mail, express and miscellaneous service which was inter-state, $388,440.89: Is that correct?

A. Yes, sir.

Q. You arrived at the Missouri proportion of that amount, in the manner you have just stated?

A. Yes, sir.

Q. Is the method you applied, a fair one, under the circumstances?

A. Yes, sir.

Q. The same item shows that the Company's total earnings from mail, express and miscellaneous intra-state and inter-state, for the year 1904 were $737,135.92: Is that correct?

A. Yes sir.

Q. The same item shows that for the year 1905, the Company earned from mail, express and miscellaneous intra-state business, the sum of $362,603.66: I will ask you if that is correct, and if those figures were arrived at by going over the actual transactions?

A. Yes sir.

Q. The same item shows that the Company, during the year 1905 earned from mail, express and miscellaneous inter-state business as defined by you, $372,435.83: What do those figures
5259 represent?

A. They represent the Missouri proportion of the inter-state earnings.

Q. Arrived at in the same way that you arrived at the inter-state earnings for the year 1904?

A. Yes sir. I think probably it will be well to state here, that in arriving at the intra-state and inter-state proportion of mail, express and miscellaneous passenger earnings, we used a percentage based upon the passenger earnings, intra-state and inter-state for Missouri. In other words, we took the figures shown in Item 2 and established a percent for dividing the mail, express and miscellaneous passenger earnings. There was no way to determine what mail earnings, or what express earnings were intra-state, and what were inter-state. Therefore, we determined what the proportion would be, upon the basis of the division of passenger earnings, intra-state and inter-state.

Q. Did you ascertain the intra-state earnings in that way, or from the books and papers?

A. We ascertained the intra-state proportion in that way, after first determining from the books and records what the earnings in Missouri were.

Q. The earnings from express are paid by the express companies in a gross amount, aren't they?

A. Yes sir.

Q. You have no record showing the actual transactions of the express companies?

5260 A. None.

Q. That is, you have no record showing the origin or destination of express packages, upon which the Wabash Railroad Company earns money?

A. No sir.

Q. How did you arrive at the intra-state earnings from express?

A. We first determined the Missouri proportion of all express earnings——

Q. How did you determine that?

A. I determined that by taking the figures furnished, and prorating them, giving Missouri its proportion upon a mileage pro-rate.

Mr. LADD:

Q. Express earnings?

A. Yes sir. Now, after I determined what the express earnings for Missouri were, I then had to pro-rate that between intra-state and inter-state, and got a percentage by taking the passenger earnings, intra-state and inter-state, and taking the percentage that the intra-state bore to the total, to divide the express earnings. In other words, the express earnings were divided upon the same basis as the passenger earnings, after determining what the express earnings were.

Q. In other words, you found what the total amount of earnings from express, which should be credited to Missouri, were?

A. Yes sir.

Q. You ascertained that by dividing the entire receipts from express, on a mileage basis?

5261 A. Yes sir.

Mr. LADD:

Q. Inter-state?

A. No sir, all express.

Q. I understood that Mr. Tobin reached his figures as shown in Item 3 on Exhibit 4, $348,695.03, among other things, by taking the earnings from mail, where the entire route would be in Missouri, and that would all belong to Missouri: Is that right?

A. Yes sir.

Q. And the same way with express?

A. Yes sir. The Missouri part is all right. But the pro-rating between intra-state and inter-state, is what we must establish. You can arrive at the total express or mail earnings for Missouri all right; but——

Q. I asked you if you referred to inter-state, and I understood you to say all.

A. Yes sir, all.

Q. Haven't you already provided for the inter-state, in your first figures?

A. Yes sir; those are the figures we are talking about now. We are talking about the division of all of this line, Item 3.

Q. I thought you were confining yourself to Missouri's proportion of the inter-state earnings?

A. No sir, that is the division of the whole of Item 3. I am explaining the basis we took for dividing the earnings between intra-state and inter-state earnings.

Mr. MINNIS:

5262 Q. Have we any express lines on the Wabash Railroad wholly within the State of Missouri?

A. We have not, with possibly one exception. I think we have a little line on the Excelsior Springs Branch, where we get some small earnings, I think $10 a month, or some trifle. That is my impression of it.

Q. That is the way in which you arrived at the intra-state express earnings; so by taking the total earnings of the Company from express, and then apportioning to Missouri its share of the total

earnings, on a mileage basis; and then allowing as Missouri's share of the intra-state express business, a sum that would equal the percentage of intra-state passenger business in Missouri to interstate passenger business in Missouri?

A. I don't think you intended to put that word mileage; because we have assumed now that we have arrived at the express earnings. We have determined what express earnings are for Missouri.

Q. I am trying to get at how you got at the express earnings in Missouri. We have no line except the Excelsior Springs Branch.

The MASTER: Explain it again, Mr. Tobin?

A. We arrive at Missouri's proportion of the express earnings, on a mileage basis, and then we pro-rate the amount so determined between intra-state and inter-state, upon the basis of the passenger earnings.

Q. It was easy enough to determine the total amount of revenue derived from business which affected Missouri: But when you came to apportion that amount when found, between such
5263 as were inter-state and such as were purely State, you had to use some arbitrary basis?

A. Yes sir.

Q. And believing that the same percentage used with respect to the passenger business would be just and fair, you adopted that as the basis, as I understand you?

A. Yes sir, that is right, Judge.

Mr. LADD:

Q. Did you reach the figures $348,695.03 by the application of any percentage basis?

A. Yes sir, we used certain percentages.

Q. In reaching that first amount?

A. In reaching that first amount.

The MASTER: It is a double computation, Mr. Ladd.

The WITNESS: You first determine what the mail earnings are, and what the express earnings are in Missouri. After arriving at those figures, how are you going to determine, unless you use a percentage basis, the proportion for inter-state and the proportion for intra-state business? You do not know what express or what mail business is carried.

The MASTER:

Q. You cannot separate that which is inter-state from that which is intra-state, by an examination of the way bills as in the case of freight?

A. No, sir.

Q. Because you haven't any such things as way bills in the express matter?

A. We have not any means of determining it.

Q. So you must adopt some arbitrary basis of percentage?

A. Yes sir.

5264 Mr. MINNIS:

Q. I will ask you, Mr. Tobin, whether it is your judgment that that basis is a fair and equitable one?

A. I think that is the only fair and proper basis. It is the basis that has been agreed upon by various railroads at conferences, and established by a number of roads, in making such division.

Q. The basis itself is in accordance with the usages of the Company, that have prevailed for several years?

A. Well, I wouldn't say it has prevailed several years, for this question of making the division by States is of recent origin.

Q. How recent?

A. I should say it has come up within the last two or three years. Some roads in the east have met and decided upon a basis for making these divisions, and they have determined that that would be a fair basis.

Q. That determination was without regard to any law suit, or anything of that kind, was it?

A. The conference I have referred to, was in connection with the Ohio two cent rate case. That is quite recent. This method of making the division between State and inter-state was determined upon at a conference held in New York last April, where it was decided that that would be a fair basis for making this division. I think that conference was attended by fourteen roads, and the resolution was adopted by those roads.

5265 Q. In your judgment it is a fair and equitable method of making the division?

A. Yes sir. I don't know of anything that could be fairer.

Q. Now take up Miscellaneous earnings in Item No. 3.

A. Miscellaneous freight earnings, consisting of switching and car service: in arriving at what the figures were, we determined what Missouri's proportion was, on the same basis as we did the miscellaneous passenger earnings.

Q. What do you mean by "car service"?

A. We mean stations where the cars are held, penalties assessed and collections made.

Q. Demurrage?

A. Yes sir. A miscellaneous collection.

Q. Then you have apportioned the switching, and other miscellaneous freight earnings in accordance with the division of intra-state and inter-state freight earnings?

A. Yes, sir.

Q. Item 4 of Exhibit 4 indicates that the gross earnings of the Company during the year 1904 from intra-state business were $2,744,445.13: that is correct, isn't it?

A. Yes sir.

Q. And that the earnings for the same year from inter-state business, as defined by you were $3,407,548.91: those figures are correct, are they?

A. Yes sir.

Q. And the total earnings for the same year, from inter-state and intra-state, were $6,151,994.04: is that correct?

A. Yes sir.

Q. That the intra-state gross earnings for the year 1905
5266 were $2,158,518.32. Is that correct?

A. Yes sir.

Q. That the gross inter-state earnings for the year 1905 were $3,130,298.04: Is that correct?

A. Yes sir.

Q. That the total gross earnings for the year 1905 were $5,288,-816.36: Is that correct?

A. Yes sir.

Q. Item 5 on Exhibit 4, indicates that the Company's expenses for maintenance of way and track for the year 1904 were $1,132,-164.38, and for the year 1905 were $968,635.55: Now, do those figures include all expense for maintenance of way and track for the entire track, or only the part of it which is located in Missouri?

A. The Missouri proportion only.

Q. How did you arrive at the figures which indicate the amount of the expense of the maintenance of way and tracks for the years 1904 and 1905?

A. Those figures were based on figures that were ascertained for the six months ending December 31st, 1905. We made up those figures for the years 1904 and 1905, based upon the figures as determined for the six months ending December 31st, 1905; and in determining what Missouri's expenses were for that period we used the basis that is regularly recognized by all roads as being an established basis; that is to say, all expenses within the State were charged to Missouri; all general expenses were divided upon a car mileage, or train mileage or engine mileage basis, as the case might be.

5267 Q. You are speaking now with reference to maintenance of way and tracks?

A. That refers to the principal items in maintenance of way and track, except one or two items, such as general supervision, which is chargeable direct. Therefore, for that particular item we apportioned Missouri's proportion on the basis of the figures we arrived at for the six months.

Q. You say you took a period of six months: What do you mean by that? That you examined the actual transactions for six months?

A. Yes sir. In explanation I would say, that when we were called upon to prepare these figures, we had already compiled the figures for the six months referred to.

Q. *While* did you compile them for that six months before you were called upon to get these figures?

A. We commenced to compile the figures for all States, upon July 1st.

Q. Of what year?

A. 1905. We had the figures, therefore, for Missouri, for the last six months of 1905.

Q. In other words, you commenced on July 1, 1905, to keep the expenses of the Company in each State separate, did you?
A. Yes sir.
Q. And among other items of expense, was that for maintenance of way and tracks in each State?
A. Yes sir.
Q. We took what the actual transactions showed to be the cost of maintenance of way and tracks for the six months, and
5268 of way and tracks for the year—or how you arrived at that?
A. We took the amount charged for maintenance of way and tracks for Missouri, for six months, as determined; and then we took the total amount charged for maintenance of way and track for the whole System, and we found what percentage the expense for Missouri bore to the expense for the whole System, for the six months, and we used that percentage, in arriving at the expense for maintenance of way and track for the previous period.
Q. Have you those figures handy that you used?
—. ——.

Mr. LADD:

Q. You mean to say that you used that percentage which you ascertained existed for the last six months, and applied it in the same way to the previous eighteen months?
A. Yes sir. Assuming that Missouri's proportion will be the same for the previous period as it was for those six months.

Mr. MINNIS:

Q. In other words, you had the actual cost for Missouri for six months?
A. Yes sir.
Q. And you assumed that the actual cost for the other eighteen months would be in the same proportion to the actual cost as the cost for the six months was to the total cost for those six months?
A. Yes sir, that is it.

The MASTER:

Q. Wasn't there some convenient way to determine the actual amount expended, in Missouri, for maintenance of way and track, for the year 1904 for instance?
5269 A. I don't believe we could have gotten figures any closer in the time that we were called upon to make up the figures. When we were called upon to make up this statement, our time was limited. But I believe, sir, that these figures are just as fair as if we had attempted to go back for two years and make them up, if we could have arrived at them. It is a very difficult thing to go back and try to get figures for a particular period.

Mr. MINNIS:

Q. It necessarily involved a computation, even though you had gone back and gotten the expense for the different items, didn't it?
A. It would have. And it is doubtful if we could have gotten

them accurately, for this reason: Our department never kept the figures separately for Missouri. We were never called upon to do it so, and, therefore, we never kept them separately. The expenses were all kept together. It is a question if we could pick out certain expenses for Missouri.

Q. You likely could have found the item of expense for labor, but you could not have found the items for material?

A. No, sir; it was absolutely impossible to locate the material, going back for a period of two years. The labor we could determine from the pay roll. But there are many items of expense which absolutely could not be determined.

Q. These figures given here as the cost of maintenance of way and track for the years 1904 and 1905 are correct, and were arrived at in the manner you have stated?

A. Yes sir.

5270 Mr. LADD: I would like to inquire right here: In the Burlington case it was called "way and structures" is that the same thing as "way and track"?

Mr. MINNIS:

Q. What does this item "maintenance of way and track" include?

A. Maintenance of way and structures is track, the same as maintenance of way and track.

Q. Item 6 on Exhibit 4 shows that the Company expended in 1904, for maintenance of rolling stock $816,692.46; and expended for the same item in 1904 $879,201.80: How did you obtain those figures?

A. Those figures were arrived at in practically the same manner as those for maintenance of way and track.

Q. You kept an account of Missouri's proportion of the expense of maintenance of rolling stock for the six months beginning July 1, 1905?

A. Yes sir.

Q. And you applied the same method in getting the expense incurred for the maintenance of rolling stock for the other eighteen months covered?

A. Yes sir.

Mr. LADD:

Q. Does "maintenance of rolling stock" mean the same as "maintenance of equipment"?

A. Yes sir; they mean the same thing.

We took those figures from the printed report given us. Our account is "maintenance of equipment" the same as Mr. Sturgis'.

Q. Item 6 indicates that the Company's expense for con-
5271 ducting transportation for the year 1904 was $2,155,049.13; and for the year 1905 was $2,057,506.76; what is included in this item "conducting transportation"?

A. Conducting transportation includes everything in connection with train service, such as engineers and fireman, conductors.

Q. Agents?

A. Yes sir. Station service, which takes in everything in connection with a station; station supplies. Fuel for locomotives in a heavy expense. Engines, round-houses and shops. Everything connected with train supplies; switching, flagmen and watchmen.

Q. It is all expense incurred in conducting transportation of property and persons, isn't it? How did you arrive at the amount for the expense for each of these years?

A. We arrived at it practically upon the same basis as we arrived at the previous expense.

Q. That is to say, you had the actual figures for six months and you used them as a basis in the same way that you did in the previous items?

A. Yes sir.

The MASTER: I did not understand that in those previous items he had the actual figures for those expenses in the State of Missouri for a period of six months; but that for that period of six months he had made a careful computation, upon the actual figures for the whole system, and made an apportionment for the State of Missouri. Now that bore a certain percentage to the whole, and in determining the amount of items, he used that percentage for the other period of——

5272 Mr. MINNIS: Your Honor is mistaken, because he testified that beginning with July 1, 1905, the Company kept the expenses incurred in the State of Missouri separate from all other expenses.

The MASTER: For maintenance of way and track.

The WITNESS: From all operating expenses.

Mr. MINNIS: When he made this statement he had the actual figures for the six months, and he used that as a basis. He took the proportion that the actual figures for the six months bore to the total cost for the same six months, and then he applied the same percentage to the other eighteen months.

The MASTER: But in all three instances, he used for the period of six months the actual account for each item of expense that was applicable wholly to the State of Missouri: did you not, Mr. Tobin?

A. Yes sir.

Q. And you assumed the same proportion would follow in the other periods?

A. Yes, sir.

Mr. MINNIS: Item 8 of Exhibit 4 indicates that the Company paid on account of loss and damage to persons and property for the year 1904, $162,875.35 and for the year 1905, $247,101.41: Do those figures represent the loss and damage to persons and property in Missouri during those years?

A. Yes sir.

Q. How did you arrive at those figures?

5273 A. Those figures are actual figures, taken from the records in our office. In that case we had the data from which we compiled the figures, and we compiled actual figures.

Q. Those represent the actual payments?
A. Yes sir.
Q. Item 9 on Exhibit 4 indicates that the general expenses of the Company, for officers, agencies and advertising were for the year 1904, $138,108.44, and for the year 1905, $152,373.27: Those figures represent the expense for officers, agencies and advertising, apportionable to Missouri, don't they?
A. Yes sir.
Q. How did you arrive at those figures?
A. Those figures were based upon the figures for six months?
Q. That is to say, from July 1, 1905, you kept a separate account of those expenses for the State of Missouri, and you used that six months' period as a basis for determining the expenses for 1904 and 1905, in the same way you did in the other items mentioned?
A. Yes sir.

Mr. LADD:

Q. May I ask if that includes salaries of the general officers?
A. Yes sir.

Mr. MINNIS:

Q. How do you apportion the salaries of the general officers?
A. That is pro-rated to all lines over the whole System, upon what is known as a train mileage basis.
Q. That is a fair basis?
5274 A. That is the commonly established basis used by all roads, yes sir.
Q. These figures here are correct?
A. Yes, sir; those figures are correct.
Q. Item 10 indicates that the Company expended for mileage of cars $97,701.77 in 1904 and $64,865.42 for 1905: what is meant by "mileage of cars" or "expense for mileage of cars"?
A. That is an amount that it paid, which we pay to foreign roads for use of their cars while upon our lines.
Q. These figures indicate the proportion of Missouri of the expense for foreign cars?
A. This represents the amount we paid, less the amount we received from the other roads while our cars were upon their lines.
Q. It represents the balance?
A. Yes sir.
Q. How did you arrive at those figures?
A. Upon the same six months' basis referred to in the previous answers.
Q. You kept an account, beginning July 1, 1905, of the actual expenses for foreign cars on account of Missouri business?
A. Yes sir.
Q. And you applied those actual figures in ascertaining the cost for mileage of cars during the balance of the period, just as you did in the preceding items of expense, did you?
A. Yes sir.

5275 Q. Item 11 of Exhibit 4 indicates that the Company paid taxes to the amount of $154,726.50 in the year 1904, and $164,646.08 in 1905: Those figures represent the amount that was paid in taxes during those years on property of the Company that is located in Missouri, do they?

A. Yes sir, the actual taxes paid during those years.

Q. On account of assessments made upon Missouri property?

A. Yes sir.

Q. Item 12 of Exhibit 4 mentions "renewal account," but no sum is indicated as having been charged to that account during the year- 1904 and 1905: What explanation have you to make of that item?

A. We have no "renewal account." The Wabash Railroad Company does not keep a renewal account, in that sense.

Q. You put this item in, "renewal account," simply because it was in the form furnished you, did you?

A. Yes, sir.

Q. And the same might be said of Item 13 "miscellaneous"?

A. Yes sir; that is true also of miscellaneous.

Q. Item 14 indicates that the total expenses of the Company were $4,657,318.04 in 1904 and $4,534,330.29 for 1905: That indicates the total Missouri expenses?

A. Yes sir.

Q. All of these items of expense above referred to were Missouri expenses, weren't they?

A. Yes sir.

5276 Q. Item 15 shows gross earnings amounting to for the year 1904, $6,151,994.04; and for the year 1905 the gross expenses were $5,288,816.36: Those figures are merely set down for the purpose of subtracting from the gross earnings the gross expenses?

A. Yes.

Q. Item 16 on Exhibit 4 indicates the gross expenses of the Company for two years, as hereinbefore indicated, doesn't it?

A. Yes sir.

Q. Item 17 on Exhibit 4 indicates that the net earnings for the State of Missouri were $1,494,676.00 for the year 1904, and $754,486.07 for the year 1905; are those figures correct?

A. Yes sir.

Q. Do they correctly indicate the net earnings?

A. Yes sir.

Q. Mr. Tobin, referring again to Item 8 of Exhibit 2, "the expense of doing the intra-state freight business in Missouri, based upon the percentage that the intra-state freight earnings in Missouri bears to the total freight earnings in Missouri, to which expense must be added the extra cost of doing intra-state freight business, to be hereafter determined by expert testimony."

I will ask you if you have not used on Exhibit 3 the totals shown on Exhibit 4, in arriving at such expense?

A. Yes sir.

5277 Q. You may now explain, by reference to Exhibits 3 and 4, how you arrived at the expense mentioned in Item 8 on Exhibit 2 for the years 1904 and 1905?

A. Exhibit 4 shows the total expenses for Missouri for 1904 to be $4,657,318.04.

In arriving at the figures shown in Exhibit 2, namely, $843,999.17, we took the total expenses for Missouri, and determined upon the freight proportion of such expenses, which we found to be 65 per cent; and the result, showing the freight expenses for Missouri for 1904, was $3,027,256.73.

In order to arrive at the intra-state proportion of expenses, we took a percentage proportion, basing said percentage upon the proportion that the intra-state freight earnings in Missouri bore to the total freight earnings in Missouri, which was 27.88 per cent. The intra-state proportion of expenses for Missouri was 27.88 per cent of the total freight expenses for Missouri, namely, $843,999.17.

In arriving at the intra-state proportion of expenses for the year 1905, we adopted the same basis.

Shall I go into detail?

Q. Yes. Why did you adopt it?

A. Exhibit 4 shows total expenses for Missouri for 1905 to be $4,534,330.29. Freight proportion, 65 per cent, is $2,947,314.69.

The intra-state proportion of freight expenses, based upon the intra-state freight earnings, as compared with the total freight earnings for Missouri, is 25.85 per cent, making the intra-state
5278 freight expenses for Missouri for 1905 $761,880.85.

Q. How did you get the 65 per cent as representing the proportion of freight expenses?

A. The freight proportion, 65 per cent, is arrived at in the following manner: all expenses known to be freight expenses are charged direct to freight. All expenses known to be passenger expenses are charged direct to passenger. Expenses which are common to both freight and passenger, are divided between freight and passenger, upon the revenue train mileage basis. The result of this division between freight and passenger is freight proportion 65 per cent, and passenger proportion 35 per cent.

Q. These proportions were the same in each year, were they?

A. Yes, practically the same for a number of years. Our proportions on the Wabash have been about 65 per cent and 35 per cent for some time past.

Q. Speaking of freight proportion, what is included in that? Earnings from freight?

A. Speaking of freight proportion of expenses?

Q. You are speaking here of freight proportion?

A. In the 65 per cent?

Q. Yes. What do you mean by freight proportion?

A. That is to say, it is the proportion of expenses chargeable against freight earnings, or chargeable to freight.

Q. What do you mean by passenger proportion?

A. That is the proportion chargeable to passenger expenses, expenses which are exclusively passenger.

5279 Q. Does "passenger" include mail, express, and miscellaneous items?

A. Yes sir, that is part of the passenger.

Q. Then, freight proportion indicates on the statement the expense for handling freight, apportioned on a train mileage basis, where you have not the actual figures; and passenger proportion means the proportion of expenses that you have allowed the passenger service, including mail, express and miscellaneous service, based on a train mileage basis, where you have not the actual figures?

A. I can probably make that more clear by citing a case:

For instance, you take the freight station at St. Louis, which is exclusively for freight; we charge it all to freight. Then take an exclusively passenger station, where nothing else but tickets are sold, we charge it to passenger. Then take a station which is common to both freight and passenger business, that is, where they do both freight and passenger business in the same station; the agent is both freight and passenger agent, and looks after the express business and everything else; the expense of that station we prorate upon a train mileage basis, charging freight its proportion, and passenger its proportion, whatever it may be.

Q. You do not make that apportionment on the basis of earnings, but on a train mileage basis?

A. On a revenue train mileage basis.

Q. Is that a fair basis?

A. It is a basis that is generally recognized as the
5280 only fair basis where you have to make an arbitrary division.

Mr. LADD:

Q. I see that you do use earnings as the basis sometimes?

A. No sir, not for pro-rating expenses we don't.

Q. In order to determine the expenses referred to in Item 8 of Exhibit 2, you took the total operating expenses for Missouri, for the year 1904, we will say, as shown by Exhibit 4, didn't you?

A. Yes, sir.

Q. With respect to those expenses which cover both freight and passenger service, and which cannot be separated, you ascertain the per cent the freight earnings bear to passenger earnings, in order to determine them?

A. No sir, that is determined upon a revenue train mileage basis.

Q. What is a revenue train mileage basis?

A. On revenue trains passing over the road.

Q. That is, trains that earn the Company money?

A. For instance, you take a freight train starting out from St. Louis, going to Kansas City, and carrying freight all the way; that is a revenue freight train. Then take a passenger train, going from St. Louis to Kansas City, carrying passengers; and that is a revenue passenger train. Now the division of expenses is made upon the basis of the number of train miles made by that passenger train, and the number of train miles made by that freight train. If we

have ten freight trains, and one passenger train, the freight
5281 train mileage will be far in excess, and the result is that the freight expenses will be in just that proportion of excess, for the reason that you have got to have the additional help required, which will increase the freight expenses in accordance with the increased number of freight trains.

Q. As I understand you, these expenses which are incurred in conducting freight business alone, may be ascertained; that is, the actual figures may be ascertained?

A. Yes sir.

The MASTER: The train mileage basis simply means, the basis of a train traveling one mile?

A. Yes sir.

Q. Whether it be a passenger or a freight train?

A. Yes sir.

Q. Or whether it is composed of one or a dozen cars?

A Yes sir.

Q. It is a train, traveling one mile.

A. Yes sir.

Q. And you call that "train mileage basis"?

A. Yes sir.

Mr. MINNIS:

Q. You use that basis for determining those expenses which cover both freight and passenger service, and cannot be separated, don't you?

A. Yes sir.

Q. For instance, you can determine with accuracy a great many of the items of expense incurred in conducting freight business, can't you?

A. Yes sir.

5282 Q. As to those expenses, you have used the actual figures have you?

A. Yes sir.

Q. And you have used the train mileage basis in dividing only those expenses which are incurred in transacting both freight and passenger business, and which cannot be separated: Is that correct?

A. Yes sir, that is right.

Q. Give us an illustration of expenses incurred for both passenger and freight business, which cannot be separated?

A. Well, probably the simplest illustration would take place—practically, take St. Louis, for example. Railroads in St. Louis have separate freight stations, and have a separate passenger station. The total expenses of operating that freight station are charged to freight; and the total expenses of operating the passenger station are charged to passenger. Take the City ticket office, where it is for exclusively passenger business, the expenses are charged to passenger expenses.

Q. How about the employees on the trains?

A. Before we get to that, let me finish. Take a local point, a small town—take, for instance, Montgomery, Mo., where the town

is not sufficiently large to have the freight and passenger stations separate. There they have a joint station, and a joint agent, and that agent transacts both freight and passenger business. Now, you must determine how to pro-rate the expenses of that station between freight and passenger business. The revenue train mileage basis is looked upon as being a fair and equitable basis for
5283 distribution.

Q. As to the employees engaged in conducting the freight business alone, where do you ascertain the actual figures?

A. You can ascertain the actual figures on all freight and passenger trains, except where you have mixed trains; there again you use the train mileage basis.

Q. You use the train mileage basis in those instances where the expense is incurred for both classes of business, and cannot be separated.

A. Yes, sir. What is known in railroad companies as "common earnings." They make a division between freight, passenger and common. "Common" means joint. It is both, common or joint to freight and passenger.

Q. In that classification the expenses of freight would include all expenses incurred exclusively in handling freight, and passenger would include all expenses incurred exclusively in handling passengers?

A. Yes sir.

Q. And common expenses would be such as were incurred by the company in handling both classes of business?

A. Yes sir.

Q. Such as you have indicated by your illustration, an agent at a point like Montgomery City?

A. Yes sir. Now here is another plain illustration: Take the salaries of the general officers; you must divide that expense between freight and passenger. They do both freight and passenger business, handle the whole thing.

5284 Q. That is, that expense of general officers would be called a common expense?

A. Yes sir.

The MASTER:

Q. Would that apply also to taxes and interest charges?

A. No, sir; that is not divided. There is no division between taxes and interest charges.

Q. I mean, are the taxes and interest charges divided between freight and passenger, in the same way as these other items?

A. No, sir.

Mr. MINNIS:

Q. Take the illustration you gave, of the agent at Montgomery: Isn't it a fact that an agent at a point like that would render a great deal more service in connection with the handling of the freight business of the company than the passenger business?

A. Well, in that event the revenue train mileage freight would be heavier than the passenger.

Q. It would?

A. Yes, sir; if he had more passenger trains passing that station he would do more passenger work; but if he had more freight trains passing his station, he would do more freight work; and the revenue train mileage would be the ratio between the two.

Q. You think the train mileage basis is an equitable and fair basis for dividing what is called "common expenses"?

A. Yes sir.

5285 Cross-examination.

By Mr. LADD:

Q. Mr. Tobin, you said this morning that these figures as to earnings, especially the intra-state earnings—well, I think you said the inter-state earnings also, were taken from the way-bills and your records?

A. Yes, sir.

Q. These figures, both inter-state and intra-state are the result of an examination of all the way-bills and records pertaining to that freight: That is right?

A. Yes sir.

Q. Suppose at St. Louis you received some freight shipped from Cincinnati and destined to Topeka, Kansas: It is delivered to you from the Baltimore and Ohio Railroad?

A. Yes sir.

Q. At St. Louis?

A. Yes, sir.

Q. What do you do at St. Louis, if anything, about making way-bills for that freight?

A. In some cases the shipments are billed through. In other cases the shipments are rebilled at the river.

Q. What do you mean by being "billed through"? Is that something which the agent at the Cincinnati end of the Baltimore and Ohio Road does?

A. Yes, sir.

Q. What is the difference between billing through, and billing in some other way?

5286 A. Well, in billing through the agent of the Baltimore and Ohio at Cincinnati would make a through way-bill to Topeka, Kansas. On that through way-bill the road of destination would account for the full charges on that shipment, and pro-rate between the Baltimore and Ohio and the Wabash Railroads. For instance, going from St. Louis to Kansas City. In the other case it would have been rebilled at the river.

Q. Take the case you have just mentioned: Where it is to go by way of your road, and from your road to the Santa Fe, what do you do in the way of billing, at St. Louis?

A. Nothing.

Q. You do not make up any papers at all?

A. Oh, yes, we have a record of the shipment.

Q. But that way-bill which is made out at Cincinnati follows the shipment to Topeka?

A. Yes sir; it goes right through.

Q. You do not make another way-bill at St. Louis?

A. I had better not testify as to that detail, because I am not thoroughly familiar with that, and Mr. Berger, our Auditor of Freight Accounts, is familiar with the detail.

Q. In Exhibit No. 2 you have shown, in Item No. 1, being the figures $133,793.02, the total revenue received by your Company in 1904 on the commodities mentioned in the Act of 1905, being intra-state business: You said in your direct examination that you have included in those figures all live stock from Kansas City to Missouri, but that probably a part of that was inter-state traffic, and the figures should, accordingly, be modified to that extent.

A. Yes sir.

5287 Q. Do you know what proportion of those figures would be inter-state?

A. No, sir; I haven't any idea.

Q. You cannot approximate it?

A. No, sir; I cannot approximate it, in fact, we tried to approximate it, and then determined that we could not.

Q. If that is true they ought to be modified, you say? Is it your intention to modify them?

Mr. MINNIS: I could answer that, very likely, as I sprung the proposition upon Mr. Tobin. I intend to investigate and see what there is to that.

Mr. LADD: I understood him to say that probably a part of that was inter-state freight, and if that is true these figures are not correct.

Mr. MINNIS: Yes.

Mr. LADD: Are they to be corrected?

Mr. MINNIS: I am going to examine into the matter and if I find that part of the freight we have classed as intra-state is inter-state, we will correct it.

Mr. LADD: And eventually, we will know what it amounts to?

Mr. MINNIS: Oh, yes. We will have to get that from the stock yard's company at Kansas City. We have no data to show that. We will give the amount, if we finally determine that any sum should be deducted that is wrongfully included.

Mr. LADD:

Q. You stated that in reaching the figures in Item 2 of
5288 Exhibit 2, $101,387.06, you excluded all traffic where the application of the rates fixed by the Act of 1905 would have increased the revenue which you actually received if you had received those rates: Can you tell me how much that amounted to?

A. I think we prepared another statement showing what that would have amounted to.

If we had included the traffic handled, whether the revenue of the Wabash Railroad Company is increased or decreased by the application of the rates fixed by the Act of 1905, the figures shown in Item 2 for the year 1904 would amount to $145,823.53.

Q. Instead of $101,387.06?
A. Yes sir.
Q. And you have figured up the difference there, Mr. Tobin?
A. No sir, but I can give you that in a minute. The difference would be $44,436.47.
Q. Then that would have more than made up the diminution in revenue on other articles, amounting to according to Item No. 3 in Exhibit 2 to $32,405.96: It would have absorbed that, and left you to the good about $12,000.00, wouldn't it?
A. No, sir; because we left the figures out of the first and second items both. If you correct one you would have to correct the other.
Q. Well, let us see how we would come out.
A. Including all traffic handled, whether the revenue of the Wabash is increased or decreased, Item No. 1 would read
5289 $164,780.69, instead of, $133,793.02. Item No. 2 would read $145,845.53 instead of $101,387.06. And Item No. 3 would read $18,957.16 instead of $32,405.96.
Q. Perhaps you do not understand my question. What I am asking you is this? It is a fact that for the transportation of some of the commodities mentioned in the Act of 1905 you have charged less than the rates authorized by that Act?
A. Yes sir.
Q. How much more would you have received on those articles on which you charged less, if you had charged the rates authorized by the Act of 1905: Now I understand you to say $44,436.47.
A. That is the total which would have been received had all of the commodities been carired at the maximum rates.
Q. The total amount of freight moved?
A. No sir. We have made up these figures in Exhibit 2——
Q. Mr. Tobin, there cannot be any misunderstanding about this, it seems to me. Perhaps I do not express myself very well.
There are a number of articles mentioned in the Act of 1905, which during the year 1904 you transported at less than the rates fixed by the Act of 1905: Is that right?
A. Yes, that is true.
Q. Now if during the year 1904 you had transported, charged and collected on those particular articles of freight the rates fixed by the Act of 1905, how much more would you have received for the transportation of those articles than you did receive: I understood you to say $44,436.47, but perhaps you did not understand
5290 my question.

Mr. MINNIS: I understand your question to be, that we received a given sum——
Mr. LADD: I stated that question perfectly clearly.
Previous question read.
Mr. MINNIS: What do you mean by "those articles": Those carried for less or all those mentioned in the Act of 1905?
Mr. LADD: Those carried for less.

A. For the year 1904, it was $44,436.47.
Q. What is that? What do those figures represent?

A. That amount represents commodities on which the Missouri statute rates show an increase over the rates as billed.

Q. What is the $44,436.37? What does it represent?

A. It represents the difference between the charges on those commodities for that year, as they were billed and as they would have been charged if the rates named in the Act of 1905 would have applied.

Mr. LADD: That is the way I understood you.

Mr. MINNIS: I would like to understand.

Mr. LADD: Let me go on.

Mr. MINNIS: I am entitled to understand what the question is. I have figures here which show that either I did not understand Mr. Ladd, or the witness did not. I think I am entitled to straighten that out.

The MASTER: Oh, yes.

Mr. MINNIS:

Q. It shows that if you make a statement leaving off the
5291 note that is on Exhibit 2, the total which would have been received had the commodities been carried at the rates fixed by the Act of 1905, would have been $160,780.69. That is what the total would have been. Now that total was what?

A. $133,793.02.

Q. What is the difference between those two?

The MASTER: It seems to me you have a perfect right to re-examine the witness——

Mr. LADD: I am perfectly willing he should go on.

Mr. MINNIS: I wish to know if they seek to elicit from the witness by this question the difference in the figures shown by Item 2 of Exhibit 2, computed as indicated by the notes or computed including all articles? I do not understand whether this question asks for that difference or not. Your Honor may understand it, but I could not grasp it.

The MASTER: As I understand it, the witness has stated that if he had charged in the year 1904, for the commodities mentioned in the Act of 1905, all that that Act would have authorized him to charge, the Company would have received some $44,000.00 more than it actually did receive, by reason of having charged on the same commodities less than the prices authorized by the Act. That is the way I understand the witness.

Mr. LADD: He said that on certain articles mentioned in the Act of 1905 they did during 1904 charge less than the rates fixed by the Act of 1905. If on those particular articles they had charged up to the Act of 1905 they would on those articles have received $44,000.00 more.

The MASTER: It is another way of stating precisely the
5292 same proposition.

Mr. MINNIS: I think there are two propositions. Mr. Ladd is asking, as I understand it, what they would have earned, how much more would they have earned, on those articles not included

in Exhibit 2, if they had collected on those articles the rates fixed by the Act of 1905.

The MASTER: It is precisely the same, because all the items where they charged as much as the Act of 1905 would have authorized, are included in that. It is another way of stating the same proposition.

Mr. LADD:

Q. Let me see if I understand what you have said. I understand you to say that during the year 1904 your Company transported certain of the articles mentioned in the Act of 1905 at rates less than those fixed by the Act of 1905: I also understand you to have stated that if you had transported and charged and received for those particular articles the rates mentioned in the Act of 1905, instead of charging less for them, you would have received $44,000.00, in round numbers, you did receive for transportation of those particular articles?

A. Not more. $44,436.47 is the amount we received. I mean the amount we received in excess was $13,448.80.

Q. Then you did not understand my question. Then that would have reduced your figures for the diminution in your revenue, as stated in Item 3 of Exhibit 2, to what amount instead of $32,405.96?

A. It would reduce the figures to $18,957.16.

Q. So that would have been your loss, instead of $32,-

5293 405.96.

A. Under those conditions, yes, sir.

Q. For the year 1905, if you had charged the statutory rates on those same articles, what would your net loss have been, instead of $36,574.10?

A. Our net diminution of revenue for that year would be $16,-718.72.

Q. You would have received then $20,000.00 more on those articles, in round numbers?

A. Yes sir. In round figures it would be $20,000.00. more.

At this point the usual hour for adjournment having arrived, the further hearing herein was adjourned to Wednesday, November 21, 1906, at 10 o'clock A. M.

ST. LOUIS, MO., *Wednesday*, — 21, 1906.

Met pursuant to adjournment as above on Wednesday, November 21, 1906, in the Federal Building in the city of St. Louis, Mo., present parties as before, when the following proceedings were had:

The cross-examination of Mr. T. J. TOBIN was continued as follows:

Mr. LADD:

Q. Just before adjournment last night, Mr. Tobin, you stated that if the company during the year 1904 had charged on certain of the commodities mentioned in the Act of 1905, up to the rates fixed by that Act, your revenue would have been such that the diminution in it for 1904 caused by that Act would have been some-

thing like $18,000.00, instead of $32,405.96 as shown by
5294 Item 6 of Exhibit 2: Is that right?

A. Yes sir; that is true, taking in all classes of commodities covered by the Act.

Q. Have you made, or caused to be made any calculation of what your total revenue on intra-state traffic would have been, if during the year 1904 he had charged and collected on the articles mentioned in the Act of 1905, the maximum rates fixed by the State Board of Railroad and Warehouse Commissioners?

A. That is, including all commodities?

Q. Everything.

A. Yes sir. The earnings which would have been received from all intra-state business in Missouri, had the commodities been carried at the maximum rates named in the Act of 1905, would be $669,285.02.

Q. I asked you, suppose during the year 1904 you had charged on the commodities specified in the Act of 1905, the full rates fixed by the Act of 1905, and on all other articles, freight of every kind and description, you had charged the full maximum rates fixed by the Board of Railroad and Warehouse Commissioners, what would your receipts have been?

A. We have not to carry a statement of that kind.

Q. You have not made any such calculation as that?

A. No sir.

Q. Or have not tried to?

A. No sir.

Q. You misunderstood my question in the first place.

A. Yes, I understood from your first question that you
5295 intended to deduct from our intra-state earnings for Missouri the amount of loss, had the rates of the Act of 1905 been in effect?

Q. Don't you know as a matter of fact, Mr. Tobin, that there are many commodities outside of those mentioned in the Act of 1905, which are carried by your Company at less than the maximum rates fixed by the State Board of Railroad and Warehouse Commissioners?

A. I don't know it myself.

Q. You don't know it?

A. No, sir.

Q. Did you know that your Company did charge on the other articles, not mentioned in the Act of 1905, the maximum rates fixed by the State Board of Railroad and Warehouse Commissioners?

A. We did charge; yes, sir.

Q. In all cases?

A. I am not competent to answer that question. I do not know.

Q. You do not know?

A. No, sir; I do not know.

Q. Turning to a subject we touched upon yesterday, can you state what proportion of the amount mentioned in Item 1 of Exhibit 2, $133,793.02 is embraced in your shipments of live stock from Kansas City to points in Missouri, from the Kansas City stock yards to points in Missouri, or from points in Missouri to the Kansas City stock yards?

A. No, sir; I have not the figures to show that.

5296 Q. Can you ascertain that?

A. I will see if I can get it.

Q. Another question following that: Item 3 of Exhibit 2 states that the total diminution in revenue which you would have sustained by reason of the Act of 1905 is $32,405.96 for 1904 and $36,574.10 for 1905: How much of that loss would have arisen on live stock carried by your Company between Missouri points and the Kansas City stock yards?

A. I will have to get that for you later.

Q. How did you arrive at the figures which you have given in Exhibit 4 for the earnings on purely State business?

A. We got the information from the way-bills.

Q. Did you examine all the way-bills?

A. Yes sir.

Q. All of them?

A. Yes sir.

Q. How did you arrive at the figures for the same year for inter-state business?

A. We determined what the total earnings were from the State of Missouri.

Q. Exactly?

A. We first determined what the intra-state business was, then we determined what the total was.

Q. You deducted the intra-state, ascertained as you say from an examination of all the way-bills: Is that right?

A. Yes sir.

Q. On intra-state business.

A. Yes sir.

Q. And deducted that amount from the total State earn-

5297 ings?

A. Yes sir.

Q. How did you reach the total State earnings? I mean the total freight earnings, of the Missouri System?

A. We took various measures. We took established percentages.

Q. You don't understand what I mean. You say you ascertained by an examination of the way-bills, the exact amount of money you received for the transportation of State freight?

A. Yes sir.

Q. And you deducted that from the total earnings of the Missouri part of the System, and that left the inter-state earnings?

A. Yes sir.

Q. How did you get at the total earnings of the Missouri part of the System?

A. We got that from the way-bills.

Q. In every case?

A. Yes sir, from an examination of the way-bills.

The MASTER:

Q. Both State and inter-state?

A. Yes sir. We got it from way-bills. That is the only means we had to get it.

Mr. LADD:

Q. Did you examine every way-bill?
A. We examined all way-bills.
Q. On inter-state freight?
A. Possibly that question would better be answered in detail by the Auditor of Freight Accounts, under whose directions
5298 the figures were compiled. I think that would be more proper.
Q. You stated yesterday that you arrived at those amounts from an examination of the way-bills, and I am asking you about that this morning because I would like to know if that is strictly accurate?
A. To the best of my knowledge that is true.
Q. Do you know?
A. I do not know positively.
Q. You do not know positively whether, in order to ascertain all the earnings, you examined all the way-bills that cover inter-state freight?
A. I would not say positively, but I think that is the way it is done.
Q. Who does know?
A. The Auditor of Freight Accounts.
Q. Will he be here?
A. Yes sir; he will be on the stand. I made the statement yesterday that they were taken from the records and the way-bills. That is true. Now you ask a question whether they examined each way-bill. I am not prepared to testify as to that, but they were taken from the way-bills and the records, as I testified yesterday.
Q. The record is not a substitute in all things for the way-bill?
A. If we could not get the information, we would go to whatever source would be necessary to get it.
Q. What record would that be?
5299 A. The recording of the way-bills.
Q. You do not mean the impression copy?
A. No sir; I mean the record of the office—the books you might say.
Q. Now will you please examine the paper which I will hand you containing three sheets and see if you recognize it.
A. (After examining paper.) Yes sir; this has the appearance of a statement that was prepared in our office.
Q. Was that delivered to the Counsel or experts for the State?
A. We made several copies and turned them over to our legal representative.
Q. When was that done?
A. When the figures were first compiled, possibly six weeks ago.

Mr. MINNIS:

Q. I think I can answer that. I——

Mr. LADD: I don't want your answer. I am asking this witness.

Q. How long ago was that completed, Mr. Tobin?
A. Possibly six weeks or two months ago.
Q. This is the middle of November.
A. Yes sir.
Q. Wasn't it in June?
A. I don't think it was as long ago as that.
Q. Or early in July?
A. I think it was about the time it was set for the first hearing.

5300 Q. Wasn't it in summer?
A. Some time in the summer.
Q. It was delivered here in St. Louis?
A. In St. Louis; yes, sir.
Q. A day or two after the preliminary hearing in this room?
A. We had those figures ready for the day set for the first hearing, and those statements were compiled about that time.
Q. On reflection Mr. Tobin, wasn't it about three or four months ago?
A. Possibly it was three or four months ago.
Q. Wasn't it as early as the 20th of June, five months ago?
A. I don't know.

Mr. MINNIS: I don't understand the object of Counsel.
Mr. LADD: Well I do.
Mr. MINNIS: I am talking to the Master.
The MASTER: Are you making an objection?
Mr. MINNIS: He is talking about a statement which was delivered in the presence of the Master here, on the 15th of June. There is no dispute about the fact.
The MASTER: It is perfectly proper that the memory of the witness should be tested on these matters.
Mr. MINNIS: If they want to get at the facts, this is a paper which I delivered to Counsel on the 15th of June.

The MASTER: If necessary they may introduce you, or you
5301 may introduce yourself, but it is perfectly proper cross-examination.

Mr. LADD:

Q. That was a paper prepared in your office, under your directions, as a summary of the operations of your Company for the years 1904 and 1905, to be used in this case, wasn't it?
A. Yes, sir.

Mr. LADD: I will offer this paper in evidence.
The paper referred to is marked Defendant's Exhibit 5.
Said paper is in the words and figures following, to-wit:

5302 Q. Yesterday, in connection with your testimony, there was offered by the Complainant Exhibits 2, 3 and 4, covering substantially the same ground as this Exhibit 3 which I have just offered in evidence: You remember that don't you?
A. Yes sir.

Q. Those were prepared under your direction?
A. Yes sir.
Q. When were they prepared?
A. Within the last two weeks.
Q. On this Exhibit 5 you showed the receipts of the Company for intra-state freight for 1904 as being $678,342.35 and for the year 1905 $701,241.94: In that had you included any revenue received by your Company for switching freight on way-bills?
A. In the item referred to in Exhibit 5?
Q. Yes.
A. Yes sir, we had.
Q. How much?
A. I have not the figures at hand.
Q. Can you say how much?
A. I have not that data here, Mr. Ladd.
Q. Will you look that up?
A. Yes sir.
Q. I will ask you here, wasn't there a very large amount received by you as revenue for switching freight on way-bills, that was not included in any form in the first statement you rendered in this case?
A. Yes sir.
5303 Q. How much did it amount to in round numbers, according to your calculation?
A. I don't know.
Q. It ought to have been included, ought it not?
A. I think not.
Q. You think not?
A. No, sir; I think not. When we compiled this statement we did not think it should go in there and therefore we did not put it in there.
Q. How much did it amount to in round numbers?
A. I don't know.
Q. About $110,000.00?
A. I don't know.
Q. Haven't you any approximation, in round numbers?
A. No, sir; I have not.
Q. When was your attention called to that, and by whom?
A. By Mr. Taliaferro, the expert.
Q. The expert for the State?
A. Yes sir.
Q. How long ago?
A. Oh, possibly—well, it may have been six weeks ago.
Q. It was in the neighborhood of $110,000.00 or $112,000.00?
A. I don't know.
Q. Was this paper which I hand you prepared by you?
A. (After examining paper.) This paper was prepared by the Auditor of Freight Accounts.
Q. In your office?
5304 A. Yes sir.
Q. By looking at that, does it refresh your recollection as to the approximate amount?

A. This shows some figures here, but it does not show what the net of the figures is, and without getting the detail I don't know whether it is switching or what it was.

Q. Did you prepare that paper?

A. No sir.

Q. Was it prepared under your direction?

A. Yes sir.

Q. What does it refer to? Doesn't it refer to the item of switching on way-bills, and wasn't it intended to refer to that and nothing else?

A. I do not know, for this reason: There were some items taken into this statement; some were corrections, and some were for switching.

Q. You do not know whether that statement was prepared by you under Mr. Taliaferro's suggestion, under his suggestion that there had been omitted from the statement a large amount of revenue from switching on way-bills?

A. Yes sir.

Q. Wasn't this statement prepared in answer to that suggestion?

A. Not alone as to switching, but as to many other items; there are many other items in there.

Q. Switching on way-bills is freight revenue, isn't it?

A. No, sir; not exactly so.

Q. What is it, then.

5305 A. Switching on way-bills within the switching limits, is switching revenue.

Q. Well.

A. Some roads——

Q. Let me ask you—but I don't mean to interrupt you; go on.

A. Various roads have various systems. Some roads have a system of carrying everything by a way-bill, regular freight, switching, and everything. Not a car is moved without a way-bill. While other roads have what we call switch tickets and way-bills.

Q. In this first statement, Mr. Tobin, you show among other things the total receipts of the Company in Missouri for the year 1904, from all business, freight, passenger, mail, express, etc.; and its gross earnings, according to this statement, were $6,061,681.00: I will ask you if a very large amount, a good many thousand dollars, of your revenue earned in Missouri, was not included in those figures at all?

A. That is true.

Q. Why not?

A. There was a mistake in preparing the statement.

Q. It was a mistake?

A. Yes sir, a pure and simple mistake.

Q. Mr. Tobin, suppose you had a business which you left in charge of a manager for a couple of years, and at the end of two years you asked him to render you a statement of that business and its operations for that period, and he turned it over to you and you had some one examine the details of that statement for one

5306 month, and he finds, and you are satisfied that there are in that for one month out of the twenty-four 1351 errors, what regard would you say ought to be paid such a statement?

Mr. MINNIS: I object to that. That has nothing to do with this case.

Mr. LADD: Oh, yes it has. I am asking a hypothetical question based on testimony that will be introduced here.

Mr. MINNIS: I am making the objection, that the opinion of Mr. Tobin as to such a man as is described in the question would not throw any light on the issues involved in this case.

The objection is over-ruled.

Q. What reliance would you say could or ought to be placed upon such a statement as that?

A. Well, it is owing to the circumstances under which the statement was compiled.

Q. Would you rely upon it at all?

A. Well, only to a certain extent.

Q. Would you rely on it?

The MASTER: I will not permit you to press the matter. After all the weight of such a statement as is embraced in the hypothetical question, if it should turn out there should have been such a statement, will not be addressed to the witness, but to the trier of the facts.

Mr. LADD:

Q. You are not able to do so now, so you say. Will you ascertain the amount earned by your Company for switching on way-
5307 bills during the years 1904 and 1905, in Missouri, both intra-state and inter-state, not included in the statement as shown by Exhibit 5: I will ask you in a general way if you know whether any part of that amount, whatever it may transpire to be, ought to be credited to the intra-state earnings?

A. A part of it should be credited to the intra-state miscellaneous earnings, not intra-state freight earnings.

Q. What kind of service is performed for the earning of this revenue I am talking about at present?

A. It is a switch service.

Q. Switching what?

A. Switching merchandise and freight.

Q. That is, transporting it?

A. Yes, sir; transporting it. It is what we call "switch."

Q. In Missouri?

A. Yes sir, in Missouri.

Q. And if you have earned for the service of transporting freight in Missouri, by switching it, say $100,000.00, do you say that no part of that ought to be credited to the freight revenue?

A. It is credited, where we thought it ought to go, to miscellaneous earnings.

Q. I know, but on reflection, if it is for the transportation of freight in Missouri, and you get pay for it, don't you think it ought to be included in either intra-state freight earnings or inter-state freight earnings, or divided between them?

5308 A. No, sir; I think it should be credited right where it is, to miscellaneous freight earnings.

Q. Notwithstanding it is revenue which you earn by the service of transporting freight from one point to another?

A. It is what is known as a switch service. It is not the regular transportation of freight. It is a switch service; and under the rulings——

Q. How far, in many cases does that switching service extend? Over what extent of mileage?

A. Well, it varies: possibly six or eight miles. Some roads have as much as ten or twelve miles, according to the road.

Q. I am talking about your road.

A. Six or eight miles, I should say.

Q. Doesn't some of it run as far as ten miles?

A. No, sir; I think about eight miles is about the limit.

Q. And you think that the transportation of freight, in cars, for a distance of eight miles, for which you receive pay, just as you do for the transportation if it — for one hundred miles, that just because it is only eight miles it is fair to call it "switching" instead of "freight revenue": Is that your idea?

A. We are governed by that—it is switching revenue and is covered by a regular switching tariff and all such switching is credited to miscellaneous earnings. The Inter-State Commerce Commission's classification and report provide for that. They
5309 do not provide for it in the freight earnings; they provide for is as "miscellaneous earnings," and we so apply it.

Q. Do you think it is right, in this case, when we are trying to ascertain the revenue you derived from the transportation of freight?

A. Yes sir, I think it should be credited to miscellaneous earnings.

Q. And not to freight earnings?

A. Yes sir, not to freight earnings.

Q. To what service do you charge the cost of doing that business?

A. The cost of doing that business is included, a large part of the expenses is included, in station service and train service.

Q. What kind of service, freight train service or passenger service.

A. Freight train service, as a rule. The wages of engineers and firemen.

Q. The freight crews do it?

A. Yes sir.

Q. It is all done in freight trains?

A. Yes sir. In freight trains and with switch men looking after it.

Q. And still you say it ought to be put under the head of miscellaneous freight earnings?

A. Yes sir.

Q. But they are freight earnings?

5310 A. Yes sir. Switching is a miscellaneous freight earning.

Q. Included in Exhibit 5, which was your first statement, have you embraced, under the head of "freight" either intra-state or inter-state earnings, any revenue derived from switching charges and car service—in other words, demurrage.

A. No sir; we have not.
Q. Where is it included?
A. Under the head of "miscellaneous."
Q. That is, under the head of "mail, express etc."?
A. Yes sir.
Q. Is that true also of your recent statement, which was introduced yesterday?
A. Yes sir.
Q. As well as of the first one?
A. Yes sir.
Q. Do you remember how much that amounted to in 1904?
A. Yes sir. The amount of switching revenue included in miscellaneous earnings for the year 1904 is as follows: Intra-state, $86,610.60, inter-state $194,262.20.
Q. I did not understand what you said that included.
A. That is switching revenue which is included in the "miscellaneous."
Q. Switching revenue alone?
A. Yes sir.
Q. What was included in the first statement, under "mail, express and miscellaneous" in the way of switching charges and car service, otherwise demurrage?
A. I have not the figures for the first statement. Those are the revised figures.
5311 Q. What do you say is included in the $86,610.60, intra-state?
A. Yes sir.
Q. And the $194,262.20 is inter-state?
A. Yes sir.
Q. That is included, then, in the figures in Item 3 of Exhibit 4, $348,695.03, and the $388,440.89, is it?
A. Yes sir.
Q. What do you say these amounts are for?
A. Switching revenue.
Q. And demurrage?
A. No sir; I haven't given you the demurrage yet.
Q. What is the demurrage?
A. Intra-state $5,804.89; inter-state $15,505.28.
Q. What is that switching, amounting to $86,610.60, which you say is included in mail, express, etc.: What is the service?
A. Switching service.
Q. Switching what?
A. Switching cars.
Q. Of freight?
A. Yes sir.
Q. Cars of freight?
A. Yes sir.
Q. Some times a distance of six or eight miles and some times a shorter distance.
A. Yes sir.

Q. That amounts to $86,610.60 for intra-state freight?
312 A. Yes sir.
Q. And the same service amounts to $194,262.20 for inter-state freight, according to your revised statement, and is all included by you in Item 3, under the head of mail, express etc.?
A. Yes sir.
Q. And no part of it is credited to freight earnings under item 1?
A. That is right.
Q. Either intra-state or inter-state?
A. That is right.
Q. Although it is hauling freight of various kinds?
A. It is switching freight.
Q. Switching is hauling.
A. We call it switching.
Q. But is hauling, isn't it?
A. It is undoubtedly hauling.
Q. It is hauling freight some times a distance or six to eight miles, in the case of your road?
A. Yes sir.
Q. Now take 1905, Mr. Torbin, if you please; how much have you included on account of switching of the kind we have been talking about and demurrage, if anything, in Item No. 3 of Exhibit 4, under the heading of mail, express and miscellaneous?
A. In the year 1905 intra-state earnings $70,356.99; inter-state earnings $173,962.38. Those are switching. Demurrage, intra-state $5,700.93; inter-state $16,939.79.
Q. So that in your amounts shown in Item 3 of Exhibit 4,
313 under the head of mail, express and miscellaneous, for the year 1905, there are included switching charges of the kind I have mentioned, intra-state $70,358.99 and inter-state $173,962.38, no part of which is embraced in the figures shown in Item 1 of Exhibit 4, constituting freight earnings?
A. That is ture.
Q. No part of it?
A. No sir.
Q. What is demurrage, for which some small amounts are represented?
A. What is the nature — demurrage?
Q. Yes, what is demurrage?
A. It is sundry collections at stations on account of failure to unload cars promptly. That is what it is in a general way. If the shippers do not unload the cars promptly, we assess a demurrage charge.
Q. A consignee of car load freights is supposed to unload his own shipments?
A. Yes sir.
Q. And when it comes to the station and he is notified, and it is not unloaded within a certain time, you charge him for the time?
A. Yes sir.
Q. And that is demurrage?
A. Yes sir.

Q. And that is collection from the consignee?
A. Yes sir.
Q. On account of that freight that is contained in that car.
5314 A. Well, it is on account of—it is really for the use of the car. It is a penalty.
Q. It is charged to that freight?
A. Yes sir.
Q. And collected at the same time and on the same bill as the charge for transporting that freight to that track; That is right isn't it?
A. No sir. It is collected at the same time, but not on the same bill.
Q. It is collected at the same time?
A. Yes sir.
Q. And it is a charge which attaches to that freight, as a part of the expense in getting that freight into the hands of the consignee; Isn't that right?
A. That is right.
Q. No part of those amounts are credited to freight earnings in Item 1 of Exhibit 4?
A. No sir.
Q. I would like to have you state again, take these figures of Item 1 in Exhibit 4 for inter-state earnings for the year 1904: In your last statement they are recorded as $1,780,681.38: How did you arrive at that amount? That is to say, how did you arrive at the amount which is to be assigned to the Missouri System on inter-state freight?
A. I will have to give you the same answer I did a few moments ago. The total earnings for the State we first determined——
Q. No, you do not understand me, or I am not very plain
5315 in my question: Here is a carload, we will say, of inter-state freight. You transport it part of the way in one State and part of the way in Missouri: How do you arrive at the part of that entire revenue which is to be apportioned to the Missouri part of the System?
A. Upon established percentages.
Q. Oh, yes. And that you are not able to state?
A. No sir. That is a traffic matter.
Q. There appears, by a comparison of the statement which was rendered last summer some time, I think Mr. Minnis said about the 18th or 20th of June and the statement which was turned in here yesterday, that there are some changes?
A. There are some changes, yes sir.
Q. The figures are not the same?
A. No sir.
Q. Can you explain those changes?
A. Yes sir.
Q. I wish you would—I was going to ask you to go through the items and explain what the changes were, but you may make a preliminary explanation.
A. When we were called upon to make this statement, we got to

work and made them up as accurately as we could in the time we had to prepare them. After we had compiled the figures shown here in Exhibit 5, we submitted a number of copies to our attorney. Afterwards the State appointed experts to examine our figures and see if they were correct. The experts found some differences,
5316 and it was agreed between Attorney General Hadley and Mr. Minnis that the expert would submit his figures to us, to see if we could not agree upon the figures. The experts did that. We agreed that there were certain changes to be made, and these changes were made, and the new Exhibits produced here yesterday are the result of the corrected figures.

Q. You do not mean to say, Mr. Torbin, that Mr. Taliaferro (I presume he is the one you refer to) agrees to the correctness of the statement you presented here yesterday?

A. Not by any means.

Q. But some changes, as I understand you, which have been made in the figures, are the result of matters to which he called your attention: Is that right?

A. Yes sir. That is right.

Q. Now let us take this up, first for the year 1904: take the first item, freight earnings for the year 1904, intra-freight earnings: How does the difference in the figures upon that point between the two statements agree? There is a difference there of $10,000.00 in round numbers, isn't there?

A. Yes sir.

Q. This last statement shown in round numbers $10,000.00 more than the first?

A. I don't know just how these various differences are made up, and I did not have time to make a detailed statement to show what the additions and reductions were. Nor did I expect to be called upon to answer this question. But I can prepare a statement showing the differences.

5317 Q. Is there any one who would know that?

A. No sir, not in detail. It would require a good deal of figuring.

Q. I will ask you that question then, if you can remember to do that. I will ask you, generally, whenever there is any difference between the figures shown on your old statement and your new one, to explain them if you will, in what the difference consists, and how it arises: Will you do that?

A. Yes sir, I will do that.

Q. Mr. Tobin, speaking generally, how would the amount of freight earnings in the first half of the year compare with the amount in the last half: Take such a road as the Wabash.

A. As a general proposition, I think the last six months would be called the "fat months" and the first six months the "lean months."

Q. What would be the percentage?

A. I don't know.

Q. Can you give me any idea?

A. No sir. Conditions would vary according to the amount of

business hauled, and according to the crops. There are so many conditions that prevail, that would tend to change the proportions, that I cannot say.

Q. Take a good crop year.

A. A good crop year—I don't know, only as a general proposition the last six months are looked upon as being the best six months of the year.

5318 Q. That is what I supposed. That is true of all parts of the Wabash System?

A. I would not say that, either.

Q. You would not say that?

A. I don't know.

Q. You are general auditor of the system, aren't you?

A. Yes sir. Certain conditions may prevail on certain parts of the line, where they would not participate in the revenue from the large months, or something of that kind, that would change the conditions.

Q. Suppose there is a good average crop: What percentage would you approximate—what ratio would you say, approximately, the freight earnings of the first six months bore to the freight earnings of the last six months?

A. I don't know.

Q. Couldn't you approximate it at all?

A. No sir.

Q. Do you know what the average is on the Wabash System as a whole?

A. No sir, I do not.

Q. Or for 1905?

A. No sir, I do not.

Q. Or for 1903?

A. No sir.

Q. You keep your accounts so you can tell, don't you?

A. Yes sir. We keep them by years.

Q. Don't you keep them by months?

A. Yes we keep them by months, but we make our re-

5319 ports by years; and I know that the last six months of the calendar year, or in other words the first months of our fiscal year, are the best.

Q. Would you say, on an average, taking a season of good crops, that the freight business would be on the whole ten per cent better for the last six months than the first six months of the year?

A. I do not know.

Q. You don't know whether it would be as much, or whether it would be more than ten per cent?

A. No sir. As a general proposition I would say more than ten per cent. But I would not attempt to make an approximation.

Q. Would it be as much as fifteen per cent, do you think?

A. Now you are getting into deep water. I don't know.

Q. I will ask you to ascertain, then, what the freight revenue of your System was for the first six months of 1904, and the last six

months, and what per cent, if any, greater the last six months was then the first six months. Also the same figures for 1905?

A. Very well.

Q. In your judgement, how would the amount of freight revenue in Missouri, both State and inter-state, the whole freight revenue earned by the System for the first six months of 1906, compare with the same amount for the last six months of 1905?

A. Please give me that question again?

5320 Q. How would your revenue, earned by the Missouri part of the System for the last six months of 1905 compare with the first six months of 1906?

A. I cannot answer that; but those figures you have asked for will answer that question. They will show those figures.

Q. You have already stated it would be larger?

A. As a general proposition, yes sir.

Q. I would like the same figures for the System.

A. Isn't it the System you asked for?

Q. No sir, I asked you for the last half of 1905 and the first half of 1904, for Missouri.

A. The figures I will give you will be the figures for 1904 and 1905, divided into six months' periods for the System.

Q. I first asked you for the System. Now I want, if you can give it to me, the freight earnings in Missouri for the last half of 1905 and the first half of 1906?

A. Very well. Of course these will be approximate figures, as we have them on our books.

Q. I will show you, Mr. Tobin, the report of your Company to the State Board of Railroad and Warehouse Commissioners, for the year ending June 30, 1906, verified by affidavit on the last page, and I will ask you if that is your signature and affidavit to this report?

A. (After examining report:) Yes sir.

Q. On page 18 of this report you say that the total freight revenue in the State of Missouri for the year ending June 30, 1906 was $4,264,867.75. This report takes in the last six months of 1905, doesn't it?

5321 A. Yes sir.

Q. And the first six months of 1906?

A. Yes sir.

Q. The statement which you have rendered here, for the calendar year 1905—in this case, I mean—places the total freight earnings of the Company in Missouri at $2,775,009.26: Do you observe any discrepancy between those two statements?

A. There is a difference there.

Q. How do you account for it—let me ask you another question: If the total freight revenue of the Company in the State for the fiscal year ending June, 1906 was $4,264,867.73, as you reported to the Board of Railroad and Warehouse Commissioners, your figures in this statement which you have rendered in this case, of $2,775,009.26 for the fiscal year ending June 30, 1905, are necessarily too low, aren't they?

A. No sir.

Q. How did that happen?

A. I believe the figures shown in that statement are correct. The figures shown in the report for the State of Missouri are approximate; often-times they are based on mileage, and not worked up actually. Many of these State reports are made on a mileage basis.

Q. You mena that this report to the Board of Railroad and Warehouse Commissioners, which was sworn to by you, and filed in accordance with law, is much out of the way?

A. Well they are too separate periods. One covers the calendar year and the other covers the fiscal year.

5322 Q. Than I will return to my first question: If your earnings for the fiscal year ending June 30, 1906 were $4,264,867.73, your earnings for the calendar year 1905, must have been more than $2,775,009.26; Isn't that so?

A. Well, I will have to repeat what I said——

Q. I just asked you that question: They cannot both be correct.

A. Not absolutely correct. One is figured on an approximate basis.

Q. If this report, which is sworn to, made to the Board of Railroad and Warehouse Commissioners, is correct, your figures in the statement you have produced in this case, are far too low?

A. That is true, if that report is correct, and based on actual figures. But in making up the State reports, we cannot always determine what the actual figures are, and many times we have to approximate them: and where we do approximate them we take the mileage pro-rate, what we call the road mileage. Now you take the Missouri report; our mileage in Missouri is 654 miles, say possibly 25 per cent. of the total mileage of the System. Now we will assume that these figures are $4,000,000.00: Suppose the earnings of the whole system were $16,000,000.00 and the mileage in Missouri is 25 per cent. of the whole, then we would report $4,000,000.00 for Missouri.

Q. And you say that is not right?

A. I do not say that is not right.

Q. Do you recall the making up of these reports, elaborate in form as they are, and in great detail, to the Board of Railroad and Warehouse Commissioners, in pursuance of law, and every

5323 year—and you make substantially the same report to the Inter-State Commerce Commission, don't you?

A. That is made in total divisions. We do not report by each State, which is absolutely correct and according to the books, but——

Q. I will ask you whether you regard these reports to the Missouri State Board of Railroad and Warehouse Commissioners, got up in the elaborate form it is, with great attention to details, and a great many sub-divisions made, which is prepared by you in pursuance of law, and sworn to,—do you regard that as simply a perfunctory service which you perform?

A. No sir, I do not, and we do not make up this report in a perfunctory way.

Q. If you say it is not correct, isn't it decidedly perfunctory to have a difference in the earnings on freight of something like a million and a half dollars in one year?

A. If you take the figures and divide them upon a mileage basis, they probably would vary, for the reason that the density of traffic in certain States would exceed that in other States.

Q. I will ask you, when you prepared this report? I see it was filed on the first day of October, 1906, at Jefferson City?

A. Yes sir.

Q. This was prepared certainly since the 30th of June, wasn't it, because it covers that entire year?

A. Yes sir.

—. You had already prepared your first statement in
5324 this case and handed it to Counsel, on the 20th of June, Mr. Minnis says.

A. Yes sir.

Q. In which you show earnings for the calendar year of $2,785,-331.65?

A. Yes sir.

Q. And after you had made up this statement, for the purpose of this case, you make up another statement, and swear to it, and file it in a public office in this State, in pursuance of law, in which you show a freight revenue for the fiscal year, one-half of which is embraced in your other statement, of a million and a half dollars more?

A. This report covers altogether a different period.

Q. Does it? Doesn't it cover one-half of the same period?

A. This report made up for the State covers a straight calendar year, and this statement prepared for this case, covers the fiscal year.

Q. I understand that only half of it is concurrent, the last half of the year 1905, which you say is the best half. But both these reports cannot be true; isn't that so?

A. One report is made up actually, under our instructions and the other is the regular, annual report, for which we have an established custom for making up.

Q. One report is made up in pursuance of the requirements of law, to be filed in a public office; and the other is made up, you say, under instructions, for the purposes of this case: Is
5325 that it?

A. Yes sir.

Q. You see there is an enormous discrepancy here. Both of these cannot be correct.

A. I said that this report was made up for Exhibit 5 on actual figures; while in making up the State reports we have not always the actual figures at hand, and in certain cases we have used a certain mileage basis, which I think is the generally established custom on all roads.

Q. But haven't you already said that when you made up this

report for the fiscal year 1906, for the Board of Railroad and Warehouse Commissioners, you had already prepared this other statement, which contained the actual figures: Why didn't you incorporate the actual figures in the report to the State as you had them?

A. Because we did not have the figures for the following six months.

Q. You could have used this half of it?

A. If we had, we would then have had to build on to it for the last six months.

Q. I want to call your attention to the report which your Company made to the Board of Railroad and Warehouse Commissioners for the year ending June 30, 1905: Look at page 40 and see if that is sworn to by you?

A. (After examining the report.) Yes sir.

Q. It appears from this report that the total freight earnings in the State of Missouri for the fiscal year ending June 30, 1905, were $3,655,476.42.

5326 Mr. MINNIS: I object to the question. If counsel is going to examine with respect to the Report, while no doubt he intends to state what the report shows, I think it is highly important to show what the report says. It says "freight revenue."

Mr. LADD: I will change it. "Total State Revenue," I should have said.

Q. Your statement, Exhibit 4, which you have handed in here in this case, shows total freight earnings in Missouri for the calendar year 1904 to be $2,468,923.56. The calendar year 1904 took in the first half of the fiscal year 1905, didn't it?

A. Yes sir.

Q. You observe there is a discrepancy between these two statements, do you not: There is a diffierence in these figures, Mr. Tobin, of nearly $1,200,000.00: Is that a discrepancy?

A. Yes sir.

Q. How do you account for it?

A. In the same manner already mentioned. The figures shown in Exhibit 4, are actual figures and are correct. As stated before, in making up our State reports, we make them up as accurately as possible. Where the figures are not at hand we have to pro-rate them, which we do upon a mileage basis. And where the density of traffic in certain States is less than it is in other States, the figures would possibly show some excess.

Q. You intend these reports to the State to be substan-
5327 tially correct? They are supposed to be?

A. We try to get them correct, yes sir, as near as possible, where we can get the data to do so. We do the best we can to get them correct.

Q. Do you get them correct?

A. We endeavor to do so.

Q. Did you get them correct for the year ending June 30, 1906?

A. We did, I think, under the generally established custom for

making these reports; that is, pro-rating certain figures, certain totals, on a mileage basis, which I believe is generally done.

Q. Referring again to your report to the State, for the year ending June 30, 1905, I see that the total freight revenue as shown here was $4,264,867.73: That is arrived at by deducting from the freight revenue, amounting to $4,745,506.72 two items, one of them being over-changes to shippers $145,964.47 and the other being $334,654.52 for "other repayments"; making an aggregate of $480,638.99, which deducted from the gross receipts, leaves the figure $4,264,867.73. Now, are these two items of "over-charges to shippers" and "other repayments" also estimated?

A. They are probably arrived at on the same basis as the other.

Q. Upon what basis?

A. Upon the mileage basis.

Q. Upon the mileage basis?

A. Yes sir.

5328 Q. Are your reports to the Board of Railroad and Warehouse Commissioners in other respects as far out of the way as you now say they are in this regard?

Objected to by Counsel for complainant.

Objection sustained.

Q. Mr. Tobin, what were the total freight earnings of the Wabash System for the year 1904, the calendar year?

A. I cannot give you the earnings by calendar years. I can give you the earnings in the manner we keep them for the fiscal year.

Q. You mean you cannot do it now.

A. Yes sir.

Q. But you can do it.

A. Oh, yes. What years do you want?

Q. The calendar year 1904, gross freight earnings. Also for the year 1905?

A. (After examining memoranda). I have it here. The total freight earnings for the whole System, for the year 1904 were $13,483,118.67. For the year 1905——

Q. Wait a moment until I ask you a question on that. In this statement which you have rendered, you have allotted of that amount to Missouri $2,468,923.56: What per cent. is that of the total freight earnings of the System?

A. 18.31 per cent.

—. What were the total freight earnings of the System for the calendar year 1905?

A. $14,390,770.94.

Q. In this statement which is in evidence here, you have allotted to Missouri out of that amount $2,775,009.26: What per-

5329 centage is that allotment of the total earnings of the System?

A. 19.2 per cent.

The hour of Noon having arrived recess was here taken until two o'clock.

After recess on Wednesday, November 21, 1906, the following proceedings were had.

Q. Mr. Tobin, will you please take the first statement that you rendered (Exhibit 5) and the last one (Exhibit 4) as to the earnings for 1904 and 1905, and if there are any differences between them will you please explain, item by item, what causes the difference. In the first place, take that item No. 1, intra-freight——

The MASTER: You are now referring to the differences between the exhibits?

Mr. LADD: Exhibits 4 and 5.

Q. I believe you stated this morning that the first item in the last statement was in round numbers $10,000.00 more than it was in the first one?

A. Yes sir.

Q. What was the cause of that?

A. The figures shown on Exhibit 4, item 1 for intra-state freight is $688,242.18; the figures shown in item 1 of Exhibit 5, at $678,342.35, a difference of $9,899.83. This difference is made up as follows: We added $31,198.43 for bridge tolls deducted in error. We deducted switching included in error, amounting to $21,298.60; making a net addition of $9,899.83.

5330 Q. Let us take the deduction first: You say you deducted revenue from switching which you had erroneously included at first, amounting to $21,298.60: Is that the same switching you were talking about this morning as amounting, in intra-state freight for that year to $86,610.60, if your figures are correct?

A. Yes sir.

Q. What are these bridge tolls, amounting to $—— which you say you have added to the intra-state freight earnings as they were shown in the first statement?

A. Those are bridge tolls on inter-state shipments and they will be added to the figures shown for inter-state earnings that we will come to next. In other words, they were deducted from intra-state and added to inter-state earnings.

Q. As I understand you, you add that amount to the intra-state freight earnings?

A. Yes sir.

—. And you do that because they had been, in the first place erroneously deducted from them?

A. Yes sir: that is right.

Q. Than you say that is an addition?

A. That is an addition to the intra-state freight earnings.

Q. You say $21,298.60 switching revenue had been erroneously included in the first statement in the intra-state earnings, and, therefore, you deducted that?

A. Yes sir.

Q. And the difference between your deduction and addition

5331 of that, is the net addition of $9,899.83: Is that right?

A. Yes sir.

Q. That accounts for that item of difference?

A. Yes sir.

Q. Take the next item, the inter-state.

A. Item No. 1 of Exhibit No. 4 shows inter-state freight earnings for 1904 $1,780,681.38: Exhibit 5, item 1 shows $1,811,879.81, a difference of $31,198.43.

Q. Your last statement is less than the first on that?

A. Yes sir.

Q. How did that occur?

A. That difference of $31,198.43 consists of bridge tolls which should have been deducted from the inter-state freight earnings, but which was deducted from the intra-state freight earnings. We have, therefore, added this amount to intra-state freight earnings and deducted the amount from inter-state freight earnings.

Q. That is the same amount?

A. Yes sir.

Q. Your idea is that you put it in the wrong place at first?

A. That is the idea; yes, sir.

Q. The item is the total, and that is the result of the two changes?

A. Yes sir.

Q. I believe on Item 2, passenger earnings, there is no change as to intra-state.

A. No sir.

5332 Q. And none for the inter-state passenger earnings?

A. That is true.

Q. Take item 3, is there any change in the intra-state earnings under the head of mail, express, etc.?

A. Yes sir. Item 3 on Exhibit 4 shows intra-state earnings for the year 1904 amounting to $348,695.03. Item No. 3 of Exhibit 5 shows $308,191.17, a difference of $40,503.86.

Q. You credit that much more to mail, express, etc. in your last statement than you did in the first one?

A. Yes sir.

Q. How does that occur?

A. That consists of some switching revenue which was omitted.

Q. Is there any difference in the next item?

The MASTER: You refer to "inter-state" of Item 3?

Mr. LADD: Yes.

A. Item 3 of Exhibit 4 shows inter-state, mail, express and miscellaneous earnings for 1904, $388,440.89; Item 3 of Exhibit 4 shows $317,333.11, a difference of $71,107.78.

Q. That is, the last statement is that much more than the first one?

A. Yes sir.

Q. What causes that?

A. The same cause, some switching revenue was omitted.

Q. That is not included in the $86,610.60?

A. No sir. This is inter-state.

Q. That is included in the figures for inter-state switching which you gave this morning, of $194,262.20?

A. Yes sir.

5333 Q. Where is the balance, if any, of that $194,262.20 shown?

A. The balance of that is for switching included in there. We got the balance of the switching in there. We had not included this other.

Q. In the item of $625,524.28 shown on Exhibit 5, do you mean to say that all of the $194,262.20 for inter-state switching was included, except that which you have added just now?

A. Yes sir.

Q. Now take the earnings for the next year?

A. Exhibit 4, item 1, shows intra-state freight earnings for the year 1905 $717,221.68. Exhibit 5, item 1, shows $701,241.94 a difference of $15,979.74:

Q. How is that arrived at?

A. This difference is made up as follows: Add bridge tolls deducted, $40,481.27. Deduct switching revenue included in error, $19,669.97. Deduct sundry differences in footings, $4,831.56; making the above difference of $15,979.74.

Q. Which you add to your old statement.

A. Yes sir, which we add.

Q. Those bridge tolls are in the same predicament as the tolls for the preceding year. They had been erroneously deducted from intra-state earnings?

A. Yes sir, we deducted them from inter-state, and put them back where they belonged.

Mr. MINNIS:

Q. Those toll earnings were originally in intra-state earnings, and were deducted and put in inter-state—or vice versa?

5334 A. In making up our freight earnings for Missouri, we deducted those bridge tolls from the inter-state freight earnings. You see, there is no bridge tolls on inter-state business because it is all within state.

Q. In your old statement you took them out of intra-state and put them into inter-state?

A. Yes sir.

Q. And now you have put them back into intra-state, where you think they belong, and the inter-state is reduced to that extent?

A. Yes sir.

Q. You say that from these bridge tolls for that year you make two deductions, and one is switching revenue $19,669.97: Is that included somewhere in the two items which you gave me this morning for switching revenue in the year 1905, one being $70,358.97, and the other $173,962.38?

A. Yes sir, included in the $70,358.97.

Q. It is a part of that?

A. Yes sir.

Q. Of that $70,358.97 you had originally credited $19,669.97 to intra-state freight earnings?

A. Yes sir.

Q. And on the theory that that was incorrect, you have taken it out?

A. Yes sir, and put it into switching earnings.

Q. Under the head of "mail, express, etc."?
A. Yes sir.
Q. That accounts for the change in the intra-state freight earnings, does it?
5335 A. Yes sir.
Q. Now take the next item.
A. Exhibit 4, item 1, shows inter-state freight earnings for 1905 $2,057,787.58. Exhibit 5, item 1 shows inter-state earnings for 1905 $2,084,089.71: a difference of $26,302.13.
Q. That is, your last statement of those earnings is that much less than the first one?
A. Yes sir.
Q. How does that occur?
A. Of that amount $40,481.27 was bridge tolls.
Q. Is that deducted?
A. That is deducted. That was referred to in the previous explanation. A difference of $14,179.14, which was added on account of differences in applying the wrong percentage in dividing the revenue.
Q. So that makes a net reduction of $26,302.13 on that item?
A. Yes sir.
The MASTER: In each of those cases where you remove out of the intra-state earnings, both for the years 1904 and 1905, and transfer them to the inter-state earnings, you thereby decrease in your second statement the total amount of earnings which you have assigned to intra-state earnings?
A. Yes sir.

Mr. LADD:

Q. For the year 1905 I believe the intra state passenger earnings are the same in both statements.
A. Yes sir, there is no change.
5336 Q. That is also true as to intra-state passenger earnings for 1905?
A. That is true.
Q. Now take item 3 "mail, express, etc. earnings" has any change been made there?
A. Exhibit 4, item 3 shows intra-state mail, express and miscellaneous earnings for 1905 $362,603.66; Exhibit 5, item 3 shows $333,732.16 a difference of $28,871.50.
Q. That is, the last statement (Exhibit 4) is that amount greater than the first one (Exhibit 5)?
A. Yes sir.
Q. How does that occur?
A. That is caused by switching revenue omitted from the first statement?
Q. Take the item of inter-state earnings from mail express and miscellaneous.
A. Exhibit 4, item 3 shows inter-state mail, express and miscellaneous earnings for the year 1905, $372,435.83: Exhibit 5, item 3 shows $321,749.59: a difference of $50,686.24.

Q. How did that occur?
A. That also covers switching revenue which was omitted.
Q. Entirely omitted, or under another heading?
A. Omitted from the previous statement.
Q. I want to see if I understand what you stated this morning: I understood you to say that in 1904 the Company received revenue for switching freight, a total sum in amount equal to the sum
5337 of these two amounts, $86,610.60 and $194,262.20: Is that correct?
A. Yes sir.
Q. Have you the aggregate there?
A. Yes sir.
Q. What is it?
A. $280,872.80.
Q. In 1904 the Company received in Missouri the sum of $280,872.80 as revenue for switching freight, and no part of that is credited either to intra-state or inter-state earnings: Is that right?
A. Freight earnings.
Q. Yes freight earnings.
A. That is true.
Q. If it were to be divided, if the Court should think it ought to go into freight earnings, the proper division, according to your view of it, would be $86,610.60 for intra-state earnings and $194,662.20 for inter-state earnings: Is that right? That would be a proper division between the two classes of revenue?
A. That would be a proper division.
Q. If it were to be considered in those earnings at all, that is the way it should be divided, you think?
A. Yes sir.
Q. What was the total amount of revenue for switching freight received by the Company in Missouri during the year 1905: have you that aggregate?
A. Yes sir, $244,321.37.
Q. No part of that has been credited in this last state-
5338 ment of yours, either to intra-state or interstate freight earnings?
A. No, sir.
Q. If it were proper to credit it there, $70,358.99 ought to go under the head of intra-state earnings and $173,962.38 under the head of interstate freight earnings; is that right?
A. Yes, sir.
Q. That would be the proper division?
A. Yes, sir.
Q. How much did the company receive during the year 1904 for demurrage or car service, a- you call it?
A. $21,310.17.
Q. No part of that ha- been credited in your statement to either intra-state or interstate freight earnings?
A. No, sir.
Q. But it has all gone into the statement, as I understand it, under the head of mail, express and miscellaneous; is that right?

A. That is correct.
Q. If it were proper to divide it between the intra-state and interstate freight earnings, how much would go to intra-state?
A. $5,804.89.
Q. And how much to interstate?
A. $15,505.98.
Q. How much did the Company receive on the same account I mean demurrage,—during the year 1905?
5339 A. No, sir.
Q. But it has all gone somewhere, under the head of mail, express, and miscellaneous?
A. Yes, sir.
Q. If it were to be divided how much would go to intra-state?
A. $5,700.93.
Q. And how much to interstate?
A. $16,939.79.
Q. Please look at the paper I now hand you: Was this paper prepared in your office and under your directions?
A. Yes, sir.

Mr. LADD: I will offer this paper in evidence and ask that it be marked Defendant's Exhibit 6.

The paper referred to is marked Defendant's Exhibit 6 and is in the words and figures following, to-wit:

5340 Q. You say this paper was prepared under your direction, and in your office, Mr. Tobin?
A. Yes sir.
Q. I see that you had listed the items received for switching, car service (otherwise known as demurrage) storage, etc., in this paper, under the head of "miscellaneous freight."
A. Yes sir.
Q. And other items under the head of "miscellaneous passenger earnings": Is that right?
A. Yes sir.
Q. When you use the heading in this paper "miscellaneous freight" you mean miscellaneous freight earnings, don't you?
A. Yes sir.
Q. And when you use the heading "miscellaneous passenger" you mean miscellaneous passenger earnings?
A. Yes sir. The headings of the paper exhibit 6 states "Detail of Miscellaneous Earnings".
Q. Are you prepared not to state what the freight earnings of the entire Wabash system were for the first and last six months of the years 1904 and 1905?
A. The freight earnings for the entire Wabash System were as follows: For the first six months of 1904 $6,506,646.11; for the last six months of 1904 $6,976,472.56.
Q. What per cent. of the total freight earnings of the System was earned in the first half of that year?
A. 48.26 per cent.

Q. And in the last half?

5341 A. 51.74 per cent.

Q. Give me the figures for the first half of 1905?

A. The freight earnings for the first six months of 1905 were $6,673,712.98.

Q. And the last six months of 1905?

A. $7,917,057.96.

Q. What is the percentage?

A. The percentage for the first half of 1905 is 45.74 per cent.; and for the last half it is 54.26 per cent.

Q. Those figures which you have just stated as to earnings are actual?

A. Actual freight earnings.

Q. No estimate about it?

A. No sir; the actual earnings.

Q. Mr. Tobin, do your books show what your freight earnings in Missouri were for the first six months of the current year?

A. Yes sir.

Q. I don't mean whether it is footed up to show the aggregate amount, but aren't your books in such a condition, and don't you keep them in such a way that you could ascertain what Missouri's freight earnings were in the first six months of the current year—I mean, the last six months of the fiscal year.

A. No sir. We did attempt to keep the earnings separately, commencing July, 1905, but we found that we were on the wrong track; we did not use the proper basis, and we abandoned it. We worked the figures up, but they are of no effect and we did not make any use of them.

5342 Q. When did you abandon it?

A. We revised our basis. On July 1st, of this year we adopted a new method, taking into consideration the local earnings of all States which we consider the only proper method.

Mr. MINNIS:

Q. Local?

A. I mean intra-state. We have always termed it local heretofore, but I mean intra-state freight earnings.

Mr. LADD:

Q. Did you begin a new system of keeping your accounts on July 1, 1905?

A. We had a change in the management of the Wabash, and commencing in June, 1905, we were called upon to make what they called some operating statistics; in other words, operating expenses by accounting divisions. Then we found that from that we could make up the expenses by States. We commenced to do that. We thought at that time we might commence to work up the earnings by States, but our system was not proper, and we did not think it was right or fair. We abandoned it and did not use the figures at all.

Q. The middle of this year you abandoned it?

A. No sir, we never used the figures for any purpose.

Q. Were these statements you have submitted here made up on that basis?

A. No sir, and they have no connection whatever with them.

Q. I asked you if your books, as kept by you, do not show that the Missouri freight revenue of your Company for the first six months of the year 1906, were about $1,800,000.00?

A. I do not know whether our books show those figures,
5343 but *A. But* if they do show that they are not accurate. The figures are not correct.

Q. They may show that?

A. I do not know that.

Q. You don't know whether they do or not?

A. No sir.

Q. Will you see if they do?

A. Yes sir.

Q. I do not ask you to look and see if you can find a total footing up of $1,800,000.00, or any other number; but I ask you if the way you kept your books and accounts for the freight earnings in Missouri from the first day of July, 1905, to the 30th day of June, 1906, it cannot be worked out that your freight earnings during the first half of the current year were in the neighborhood, in round numbers, $1,800,000.00?

A. Yes, sir.

Q. Now let us assume for a moment that it is a fact that your books show that your earnings for the first six months of this year were $1,800,000.00, what would your earnings be for the last six months of the last year?

A. I don't know.

Q. Upon this basis of percentages which you gave me here a few moments ago?

Mr. MINNIS: That is objected to. You cannot assume percentages on an assumed figure.

Mr. LADD: There is an assumption on the percentage.

Mr. MINNIS: There is an assumption that the books show the $1,-800,000.00, and there is no evidence of that at all.

5344 As he is going to take up that matter again, that would be the proper place for it. It would certainly be of no value, as mere figuring, to assume it.

The MASTER: The value of the evidence if given is one question, and its admissibility is another question.

Mr. MINNIS: I say you cannot offer an assumed figure for the purpose of getting at the result and showing the result, because the result is based on the assumption and is worth no more than the assumption. That is not evidence. It is putting into the record something that might be misleading to one who would go over the record hurriedly and not catch the fact that the figure isassumed. I say, it is not competent in any case to assume figures, and then arrive at a result by a percentage adopted as to actual figures.

The MASTER: I cannot tell what evidence may hereafter be sub-

mitted along that line. It would be unjust for me to assume there would be none.

Mr. MINNIS: Suppose there would be, that would not alter the situation. You cannot have a result based on an assumption. If he offers evidence that there was such a figure as $1,800,000.00, then it would be another matter.

The MASTER: And then it would be necessary to recall the witness to answer a question which he can answer now.

Mr. LADD:

Q. Assuming that you freight earnings in Missouri for the first half of the current year were $1,800,000.00, what would have been your earnings for the whole of last year, upon the basis of the percentages which you have given me within the last few minutes?

A. I don't know.

5345 Q. It would be more than twice, wouldn't it?

A. I don't know.

Q. The figures which you have testified to here, and you testified this morning without any figures, that the last half of the year was better for freight earnings than the first half?

A. That is true, as a general proposition.

Q. Didn't you describe it as the "fat half" of the year for the railroad company?

A. Yes sir.

Q. And the figures which you have given me, after investigation, as to the freight earnings of the entire system, bear you out in that opinion, don't they?

A. The figures I have given you show that the figures for the last six months are larger than the figures for the first six months.

Q. And those are the actual figures for those two years?

A. Yes sir. The actual figures.

Q. If the figures for the first half of this year are about $1,800,000.00, would not your total revenue for the whole of last year be at least twice that amount, $3,600,000?

A. Possibly so.

Q. Wouldn't it probably be so?

A. I don't know.

Q. You have only returned here $2,775,009.26, and now I ask you if it would not be in the neighborhood of $1,000,000. more than that?

5346 Mr. MINNIS: That is objected to. It is not a fair way to get at those figures. You soon get away from the assumed basis. He is comparing it now as if he had the actual result.

Mr. LADD: I am not going to pursue it any further.

Q. In dividing the inter-state freight earnings and assigning a portion of them to Missouri, for the purpose of the statements submitted here by the Company, were not the same percentages employed as were used in working out the freight earnings assigned to Missouri on your books, in the fiscal year ending June 30, 1906?

A. I don't know that our books show the earnings by States, or

the earnings for Missouri for that period, complete. We abandoned that. As I have said, we abandoned that, but just when I don't know. We did not consider that system a fair system for making a division of earnings. We have adopted a system, which we think is fair——

Q. When did you adopt that?

A. We adopted that on July 1st.

Q. Of this year?

A. Yes sir. That was brought about by conferences that have been held in connection with these various cases. For instance, the Ohio Passenger Rate Case brought out a great deal of this. It was determined that the intra-state earnings should be kept separate from the inter-state freight earnings. Now in preparing these figures you speak of there was no attention paid, absolutely, to intra-state or inter-state; therefore, we cannot really arrive at the
5347 earnings for any State on that basis.

Q. You say you began this new system on the 1st of July, 1906?

A. Yes, sir.

Q. This old statement of yours was prepared and handed to us before that, wasn't it?

A. This statement has no connection whatever with what we keep for the States. This statement we prepared specifically for the State of Missouri, in connection with this case; but the other figures were prepared as we proposed to keep them, and have no connection with them whatever. As I say, it was brought about by a desire to show the earnings and expenses separately by States, on account of the numerous Bills introduced into the Legislatures, to reduce rates, etc. We felt it was a necessity. Not only the Wabash, but all of the roads. There are fourteen roads that operate through the State of Ohio, of which the Wabash is one, which have agreed to keep these earnings and expenses separately; and they have agreed to keep the intra-state separate from the inter-state. Now, in apportioning those figures——

Q. You say that was advised on account of lawsuits, litigation?

A. No sir, not by litigation, but I think it was brought about by the numerous Bills introduced in various Legislatures, all through the States, Ohio, Pennsylvania, Indiana, etc. And the Railroads determined they ought to keep those separate so as to show them.

Q. That is the system you are working on now?

5348 A. Yes sir.

Q. That is not the system on which you based these statements?

A. Yes sir, practically the same system.

Q. How could you if you had not the figures?

A. We prepared this specifically. We went into all this detail after we had adopted that system. Probably if you should call for such a statement five years hence, we would be able to give you the figures off-hand without any trouble, because we will have them on our books.

Q. What is the difference in the system?

A. Under the proposed system, we propose to keep the intra state separate altogether.

The MASTER:

Q. Has that reference to both the earnings and expenses incident to the transportation of intra-state freight, or does it simply refer to the earnings?

A. The earnings alone. There is no way to determine definitely—you can approximate it by experts, possibly—but there is no way to determine definitely—that is, there is no basis upon which we can determine definitely the proper portion to assign to the two classes.

Q. I have understood all along that not only your road, but all the others, not only have not but they could not have so kept their accounts as to separate the purely local, State business, both in respect of the earnings and of the expenses, from the inter-state.

A. That is true of the expenses, but it is not true of the
5349 earnings. We can keep the intra-state earnings separate, and that is what we propose to do from the 1st of July. We have not done it heretofore, but we propose to do it hereafter. The expenses you cannot separate.

The question came up at the hearing this morning, as to how we arrived at the amount reported in the Missouri State Reports, for the years ending June 30th 1905 and 1906 for freight earnings, and our method that we established for making the State Reports. I think our method is in conformity with that of most of the roads. We make one Annual Report to the Inter-State Commerce Commission, showing the results of operation of the *sholw* road, for the year. We are then called upon to make State Reports for the different States through which we operate. For instance, we operate in New York, Michigan, Ohio, Indiana, Illinois, Missouri, Iowa and Nebraska.

Mr. MINNIS:

Q. And Canada?

A. Canada we make no report for. That is not a State. That is outside the jurisdiction of the Inter-State Commerce Commission. In making up these State reports we take the total results for the year, and pro-rate them. We take the freight earnings for the whole system for the year, and we determine the number of miles in each State, and apply that percentage proportion to each State, and make the report accordingly. In other words, all of our State reports are based upon what is called the "road mileage" system. The result is, that with some roads, namely, Missouri, the earnings
are shown to be more than they actually are; while other
5350 States are shown less. If the density of traffic is heavy in one State and light in another, it follows that there will be more earnings reported to the State where the density of traffic is less. That is a natural sequence.

I say that is the commonly established method in all roads; either

the road mileage basis, or I believe some roads use the train mileage basis, where they keep the train mileage by States.

I just wanted to explain clearly how those reports were compiled. That has always been our custom, and, as I have stated, it is the commonly established custom with all the roads.

Mr. LADD:

Q. Was there anything else I asked you, which you were to look up?

A. There is the question about the Kansas City stock yards. I haven't those figures ready yet, but will get them later.

The MASTER: Will the explanation which you have just given, of making your reports to the Board of Railroad and Warehouse Commissioners of the various States, account for the apparent discrepancy between the exhibits which you have filed here in this case, and the last report to the Missouri State Board of Railroad and Warehouse Commissioners?

A. Unquestionably.

Mr. LADD:

Q. Mr. Tobin, on your direct examination you said, using pretty nearly your language "It was then determined, or we found, that the proportions of the operating expenses in Missouri should be divided in the proportion of 65% of that to freight, and the
5351 balance of it to the rest of the business": Is that right?

A. That is true, yes sir.

Q. How did you determine?

A. We found—well, we determined——

Q. I thought Mr. Minnis was going to ask you how you got at that, and that you were going to tell. I suppose Mr. Minnis did not pursue it as he wanted to. I would like to know how you arrived at it?

A. Taking all of the freight expenses, and distributing them to freight; taking all of the passenger expenses and distributing them to passenger; and taking all of the expenses which are common to both freight and passenger, and distributing them on a train mileage basis, would result in a division between freight and passenger of 65% and 35%.

Q. That is what you said yesterday?

A. Yes sir.

Q. The expense appertaining particularly to freight you ascertain, and those to passenger?

A. Yes sir.

Q. You add them together, and then those expenses common to freight and other branches of the service you try to pro-rate on an equitable basis?

A. Yes sir.

Q. And you add the freight's proportion to what you know belongs to freight?

A. Yes sir.

Q. How much do you charge to freight?

A. Charge everything that is freight——

5352 Q. In dollars, for Missouri?

A. That cannot be determined.

Q. Didn't you say you charged everything to freight that was purely freight, and everything to passenger that is purely passenger?

A. Yes sir.

Q. Those are two fixed amounts?

A. Yes, sir.

Q. Then you take the things common to both branches, and you divide them upon an equitable basis?

A. Yes, sir.

Q. Then I want the amount that you determined is purely incident to the freight service?

A. These figures that we made, we cannot determine the proportion for Missouri. In arriving at the operating expenses we arrived at them on the basis of six months. After we determined what the expenses for Missouri for the two years were, we then took what we knew to be a proper freight proportion, which is the proportion between freight and passenger upon the Wabash Road for the past four or five years.

Mr. MINNIS: To make the thing clear, I wish you would take the actual figures.

Mr. LADD: That is just what I want. I want to know just how much of the Missouri operating expenses he takes out and charges to freight because they are incurred solely on account of freight, and then how much is incurred solely on account of passenger. Certainly you are capable of doing that, if the books

5353 are kept in any sort of condition. And then the amount for both, that is, common to both freight and passenger. First I want what you assign to freight, with which no other class in the world has anything to do.

A. In making divisions between accounting divisions, between States, it is never customary to make any division between freight and passenger. Your freight and passenger are divided upon the totals only. We maintain that is not right, and that you cannot accurately determine how much is freight and how much is passenger. But under our custom we have been doing that. The result has been that for the last four years our freight proportion of the total operating expenses is 65%. We do not make any division between freight and passenger expenses in pro-rating expenses. We simply take the total and pro-rate that between freight and passenger. In going a step beyond that you ignore the freight and passenger.

Q. How do you, or anybody, get at the 65%? You must have a certain number of dollars to compare with a certain other number of dollars, before you reach that percentage: How do you get your dollars?

A. For the last three, four or five years the operating expenses of the Wabash Railroad have been 65% of the total operating expenses.

Q. Where or how did you find that out?

A. From the figures in our office.
Q. What are the figures?
A. I probably have those figures here (searching through memoranda).
5354 Q. Mr. Tobin, the way your books were kept from July 1, 1905 to January 30, 1906, show that your freight expenses, expenses chargeable to freight traffic in Missouri, were about 56% instead of 65%? Don't your books show that?
A. I have——
Q. I will ask you if your books for the first six months of the fiscal year ending June 30, 1906, on which you say you based a great many estimates for the preceding eighteen months, do not show that the freight expenses of the Wabash Railroad in Missouri were only 56% of the total operating expenses in this State?

Objected to by counsel for Complainant, for the reason that the witness has never testified he based anything upon the expenses for the six months beginning January, 1906.
Mr. LADD: I said the first six months of the fiscal year ending June 30, 1906.
Mr. MINNIS: I withdraw the objection.

A. I don't know, off-hand.
Q. Will you look and see?
A. Yes, sir. I have a statement here showing the earnings of the Wabash Railroad for the year ending June 30, 1906, which shows freight earnings $16,000,000., and which shows the passenger, mail and express earnings to be $18,000,000. the percentage is 65.97%.
Q. Is that earnings?
A. Yes, sir, earnings. 65.97% for freight and 34.03% for passenger.
5355 Q. That is earnings?
A. Yes, sir.
Q. That is not expenses. I am not talking about earnings.
A. But you must remember many roads divide their expenses on the basis of their earnings.
Q. Have you done it here?
A. We divide it upon the basis of train mileage. During a part of this period we did.
Q. I don't care anything about that. I want you to look at your books and see if they do not show that your freight expenses during the last six months of the year 1905 were not only 56% of the total operating expenses in this State, and let us know in the morning?
A. Without any reference to any previous period?
Q. Those six months is what I am asking for.
A. Now what is your question, again?
Q. I want to know what your books for the last six months of 1905 show as the proportion between the freight expenses and the total operating expenses in Missouri, and if they do not show it is 56%.

You say that some roads pro-rate their expenses on the basis of earnings in the different service: Is that right?

A. Yes, sir.

Q. Do you do it?

A. No, sir.

Q. Do you think it is right?

A. You get right down to the facts, you cannot make any division between freight and passenger, and I don't think
5356 anything is right that attempts to make a division.

Q. You say some roads do it?

A. I don't think it is right.

Q. You don't think it is right: You volunteered that statement. I did not ask you about it. I ask you to take your statement, as you prepared it, and say what percentage the total freight earnings in Missouri is to the gross earnings for the year 1904, in round numbers, for the Wabash Railroad?

A. Well, you cannot take——

Q. Give an answer to that question: Isn't it about 40%?

A. Do you take in——

Q. Isn't it about 40%?

A. Yes, sir, about 40%.

Q. You say some roads take it as the basis for apportioning the expenses of maintenance. Now take it for 1905, and what is it?

A. About 50%.

Q. And you say 65%?

A. Yes, sir, I say 65%. I believe the Burlington's is 64% and the Santa Fe 66%—and I think we are right.

Q. You have stated that the relation of total freight earnings in Missouri, the proportion that they bear to the gross earnings for the year 1904 is in the neighborhood of 40%—I think 41% is a little nearer; if you figure that a little closer I think it is slightly more than 40%, the percentage between gross freight earnings and the gross earnings from all classes of business in Missouri for 1904?

5357 A. Yes, sir, 40%.

Q. On Exhibit 4 you show maintenance of way and track for 1904 $1,132,164.38: What were the total charges on this account for the entire system for the same period?

A. $3,752,616.43.

Q. Now what is the ratio between your charge to Missouri for maintenance of way and track to the total expenditure on the entire system for that purpose, for the same period?

A. You mean what percentage?

Q. Yes.

A. It is about thirty odd per cent.

Q. The total freight earnings in Missouri are 18.31% of the total freight earnings of the line: Is that right?

A. Yes, sir, that is right.

Q. The mileage in Missouri is about 25% of the Line?

A. Yes, sir.

Q. The charge in 1904 for maintenance of way and structures is what per cent of the same charge for the entire system?

A. About 30% of the whole.

Q. What is your charge as rendered in this statement? What does your charge for maintenance of way and structures, as rendered in this statement, amount to on the average, per mile?

A. For the whole system?

Q. No, sir, for Missouri.

A. $1,731.14 per mile.

5358 Q. What was the average expenditure during that year for maintenance of way and structures on the whole system, per mile?

A. $1,490.79 per mile.

Q. Deduct, if you will, from the entire expenditure for the whole system on the account the amount which you charge to Missouri for that account, and state how much the average would be per mile for the rest of the system outside of Missouri?

A. $1,406.70 per mile.

Q. It is $1731 per mile for Missouri, and $1490 for the System?

A. Yes, sir.

Q. And how much for that part of the System outside of Missouri?

A. $1,406.70 per mile.

Q. How is it for 1905, on the same item?

A. 1905, for Missouri, $1,481.09 per mile; for the whole System $1,285.45; and for the System outside of Missouri $1,203.40 per mile.

Q. If the expenses for maintenance of way and structures the total expenses on the System, which I understand are $3,752,616.43 for the year 1904, be divided on a mileage basis and 25.98% of that total amount be apportioned to the State of Missouri, the charge would be $157,234.63 less than you have made it in this statement, would it not?

A. It would be about $150,000.

Q. Is there any reason why that should not be done, that you know of?

5359 A. Why it should not be done?

Q. Yes.

A. That would not be right. It would not be right to pro-rate maintenance of way upon a mileage basis. My——

Q. Now, let me see if I understand you: You do not arrive at the figures you charge to Missouri for maintenance of way and structures from the actual outlays in Missouri, as I understand it, but you arrive at it on the basis of percentages: Is that right?

A. That is true.

Q. What is the basis?

A. The basis is, taking the last six months of the year 1905——

Q. You knew for the last six months of 1905 what your expense for maintenance of way and structures actually was in Missouri, did you?

A. Yes sir.

Q. You struck a ratio between that and the total expense of t
System, for the same purposes, for the same period: Is that right?
A. That is true.
Q. And then you assumed that that percentage would prevail f
the eighteen months previous, did you?
A. Yes sir.
Q. And that is the way you arrived at it?
A. Yes sir. I believe if we could get the actual figures for mai
tenance of way and structures, for the years 1904 and 190
5360 they would not be in excess of the figures shown here.

The MASTER:

Q. Maintenance of way and structures in Missouri, you mean?
A. Yes sir. That is my firm conviction.

Mr. LADD:

Q. Because there were abnormal expenditures during those t
years?
A. Yes sir, because the expenditures were very heavy.
Q. Abnormally heavy?
A. They were heavy.
Q. And that is the way you arrived at it?
A. Yes sir. I believe that if we could get the actual figures, tho
figures would not be in excess of the figures shown here.
They were heavy, and particularly heavy in those two years. I
addition to that I understand that the expense of maintaining o
tracks in Missouri are much heavier in proportion. That is, I unde
stand they are very much heavier than for the balance of our Sy
tem west of the River.
Q. Do you mean to say that during the year 1905 the expens
of your Company were extraordinarily large for the purpose of mai
taining way and structures, as compared with other years?
A. They were very much heavier in Missouri, on account of t
numerous expenses, connected with the World's Fair, terminals, et
Q. Do you know what the average expense for maintenance
way and equipment has been on all the railroads of the United Stat
for the year 1904?
5361 A. No sir, I do not know, off-hand.
Q. Do you know what it was for all the railroads in t
Inter-state Commerce Commission group No. 6, in which is include
Missouri?
A. No sir. We do know that the expenses of the Wabash are ver
heavy on account of the condition of the track, etc.
Q. They have been.
A. And they are.
Q. During those two years. Are you improving your road?
A. More or less.
Q. When are you going to get through?
A. I don't know.
Q. Are you going to keep up these expenses for a long period

years: These extraordinary expenses for the maintenance of way and structures, as shown by a comparison with other roads?

A. I cannot answer that.

Q. Haven't you substantially stated that the expenses incurred by your Company on that account for 1904 and 1905, in Missouri, were much larger than usual, for reasons?

A. And I gave the reasons.

Q. For reasons.

A. Yes sir, for reasons, and I am simply——

Q. Do you mean to say that this extraordinary expense, in Missouri, as compared with your whole System, or the balance of the System, or compared with other roads in the country, is to be continued indefinitely on the Wabash?

5362 A. I don't know.

Q. What do you think about it?

A. I don't think about it.

Q. Is it going to cost the Wabash any more for that item of doing its business, than it does anybody else?

A. I cannot answer that question.

Counsel for Complainant objects to the inquiry.

After argument, the objection is over-ruled.

Q. What was the average per mile of the charge for maintenance of way and structures in Missouri for the fiscal year ending June 30, 1906, according to your books?

A. I can give it to you for the whole road, but not for Missouri.

Q. You mean you haven't it here?

A. Yes sir. I haven't it in the published reports. I would have to examine our record.

Q. In your opinion, based upon your knowledge and general information as to what is going on along the line of your road, in Missouri, were the expenditures of your Company for maintenance of way and structures for the fiscal year ending June 30, 1906, as large, greater, or less than they were for the calendar year 1904?

A. The expenditures for way and structures are as follows: For the year ending June 30, 1904——

Q. Is that for Missouri?

A. No sir.

Q. I am asking about Missouri.

A. Missouri for two years back?

5363 Q. My question is, whether in your opinion the expenditures of the Company for the fiscal year ending June 30, 1906, were more or less, in Missouri, than they were for the same purpose during the calendar year 1904?

A. I have no actual knowledge from observation, but from the figures we have received, I am under the impression that the expenditures were heavier.

Q. When?

A. In 1904. Whether it was just the year ending June 30, I cannot say, but during the year 1904.

Q. On account of the World's Fair?

A. Partly on account of the World's Fair, yes sir.

Q. In your opinion, were the average expenditures for maintenance of way and structures during the fiscal year ending June 30, 1906, greater or less than they were during the first six months of 1905?

A. I do not know, without consulting the figures.

Q. You do not have any opinion on that?

A. No sir, I haven't any opinion. That is, I am not competent to testify off-hand on that proposition.

Q. I didn't know but that you might know.

A. No sir, I do not know.

Q. In what part of 1904 were these extraordinary expenditures in Missouri made? The first part of the latter part?

A. Well, I should say along about the middle of the year.

Q. Would most of them have been made before the 30th of June?

A. No, sir. I think both before and after that time.

5364 Q. About as much after that time as before?

A. Of course, that is a question.

Q. You will have here tomorrow morning the expenditures for the fiscal year just ended, for Missouri?

A. Yes sir.

Q. Were not the expenditures of your Company in this State, during the year 1904, for maintenance of way and structures largely made in order to accommodate the increased passenger traffic of that year?

A. Not only the increased passenger traffic, but the freight traffic. We carried an immense amount of freight during the World's Fair, and we had to provide for that. A number of tracks that were built were built altogether for freight purposes.

Q. I know. For instance, you had a building down here at the World's Fair grounds that was not used for freight purposes?

A. No sir, purely passenger.

Q. Freight had nothing to do with it.

A. No sir.

Q. I will ask you again if a larger part of the expenditures made here in the neighborhood of the World's Fair grounds were not made in order to accommodate the passenger traffic?

A. The World's Fair station was built for that specific purpose. That is undoubtedly true. But the tracks were built for both purposes.

Q. I know that, but I am asking you if the larger part of

5365 it was not built for and devoted to passenger traffic?

A. Yes, sir.

Q. Did not the passenger traffic in Missouri in 1904, according to your own statement, both for intra-state and inter-state very largely exceed your revenue from freight?

A. That is true.

Q. That is an extraordinary circumstance, isn't it?

A. Yes sir.

Q. It never happened before, did it?

A. Oh, yes.

Q. It did?

A. It has happened during the World's Fair period.

Q. We do not have a World's Fair period every few minutes. That was due to the holding of the World's Fair here in St. Louis?

Mr. MINNIS: That is objected to for the reason that the witness has stated that to determine the expense of maintenance of way, he took the actual cost of the maintenance of way in Missouri for the period of six months ending January 1, 1906, and assumed that the expenses for the preceding eighteen months were proportionately the same. For that reason all inquiries with respect to any extraordinary expense during 1904 would have no bearing on the question of the cost of maintenance of way.

The objection is over-ruled.

Q. Was not the Company re-laying a lot of track, and putting in heavier rails, during the latter part of the year 1905?

5366 A. I don't know.

Q. You don't know anything about it?

A. No sir.

Q. You don't know whether they were or not?

A. No sir.

Q. In Missouri?

A. In Missouri or elsewhere.

Q. Isn't it a fact, Mr. Tobin, that a considerable part of the expenditures which your Company has been charging to the maintenance of way and structures, for the last two years, ought to have been charged to "capital account," or to the account of "betterments and improvements"? And hasn't it been done with a purpose, so there should be no money left out of the earnings to pay the interest on your debentures, and isn't that the charge that was made by Mr. Ramsay, who was until recently your president?

A. I do not consider that I am competent to answer that question.

Q. You cannot tell, then, whether any part of these charges which your Company has made for the maintenance of way and structures, in a case of this kind, when the question of earnings is vital, should have been charged instead of to "operating," to an account in which improvements and betterments would be kept?

A. If you refer to this re-laying of track, I should say it is properly chargeable right where it is, to operating expenses.

Q. I thought you said which was for re-laying.

5367 A. I said I didn't know. You said it was.

Q. I am asking you?

A. You are referring to extraordinary expenses. If you refer to the relaying of rail, I say it is properly chargeable to operating expenses.

Q. Is there any other way of accounting for this extraordinary outlay on account of maintenance of way and structures which exists, by a comparison between your road and other roads, except that you should have charged a considerable part of that to improve-

ments and betterments, or on the theory that these expenses are abnormal, and will not occur again?

A. These expenditures were incurred, and we consider that they are properly chargeable to operating expenses.

The MASTER: That question seems to assume that the charges made by the Wabash Railroad to the account of maintenance of way and structures was proportionately much larger than charges made to a similar account by other railroads, for the whole System?

Mr. LADD: It does assume that.

The MASTER: I understood your complaint to be, that they were charging too much to Missouri, more than its rateable proportion in comparison with the whole System.

Mr. LADD: That is true, also.

The hour of five P. M. having arrived, the further hearing of testimony herein is adjourned until tomorrow, Thursday, November 22, 1906, at 10 o'clock A. M.

5368 ST. LOUIS, MO., *November* 22, 1906.

Met pursuant to adjournment as above on Thursday, November 22, 1906, in the Federal Building, City of St. Louis, Missouri, at 10 o'clock in the forenoon. Present parties as before.

Following proceedings were had:

Cross-examination of Mr. P. J. TOBIN by Mr. S. B. LADD was continued as follows:

Q. Mr. Tobin, have you been able to examine the results of the Kansas City stock yards business?

A. Yes sir.

Q. Referring to Exhibit 2, Item 1, how much of the $133,793.02 revenue received on intra-state business, on the commodities mentioned in the Act of 1905, consists of revenue for the transportation of stock between the Kansas City stock yards and points in the State of Missouri?

A. $46,455.43.

Q. That is the total revenue received by you during the year 1904, for the transportation of live stock between points in Missouri and the Kansas City stock yards both ways?

A. Yes sir.

Q. Look at Item 3, of this same exhibit: How much of the diminution in revenue which it is stated on this paper would be $32,405.96, would have been due to the transportation of stock at the rates fixed by law?

A. $12,118.92.

Q. Will you give me the same information for the year 1905: How much of the $163,019.83, was derived from the trans-
5369 portation of live-stock between the Kansas City stockyards and Missouri points.

A. I have not completed those figures yet.

Q. You can get them?

A. Yes sir. I did not have time to compare them.

Q. What were the total freight earnings of the System in Missouri for the six months ending June 30, 1906?

A. $1,732,961.63. Those figures were never used for any purpose whatever, and we considered them entirely incorrect. They appear upon a stub-book, a memorandum book, but the figures have never been used for any purpose whatever. And, as stated, we considered them absolutely incorrect. That not only applies to the earnings for Missouri, particularly, but to the earnings for all States that were thus kept, and which we abandoned.

Q. What were your freight earnings in Missouri, according to the same books, the record and accounts just mentioned, for the entire fiscal year ending June 30, 1906?

A. $3,265,711.13; and we maintain that those figures are purely figures of record, not correct, and have not been entered into the general books of the Company, but merely kept in a memorandum book, and that we have abandoned those figures; have never used them for any purpose. And I want to say further, that the abandonment of those figures had absolutely no connection with this case whatever, and was brought about by the fact that we received the results of discussions at meetings, and the adoption of resolutions recommending methods by which earnings should be pro-rated by States.

5370 Q. These figures you have given me last, as to the fiscal year, 1906, and for the last half of that year, are the result of monthly statements and accounts kept during the regular course of business in your office, aren't they?

A. No sir. I wouldn't put it that way, monthly statements and accounts.

Q. How would you put it?

A. They are monthly details made up from the monthly statements and accounts, details compiled from those figures. You might say, memoranda details kept for statistical purposes only.

Q. You pursued that course for a whole year, July 1, 1905, to July 1, 1906, did you?

A. I believe we continued that for a year, but we knew we would not use those figures because in the meantime those other matters had come up—and I will call your particular attention to one conference that was held in New York City——

Mr. LADD: I don't know, if Your Honor please, that we care about those conferences.

The WITNESS: I want to show the reason why.

The MASTER: I think it is competent for the witness to give in some measure a detailed reason that led them to abandon the keeping of the books to which he referred.

A. I want to show very clearly that we abandoned those figures because we did not consider them correct. When we commenced on January 1, 1905, we had data; but later on resolutions were passed at a meeting of the Legal and Accounting Departments in New York City—in the case of the State of Ohio where four-

5371 teen roads, of which the Wabash was a member and participated in the meeting; and they adopted resolutions that the

earnings should be pro-rated, which they considered a fair method, after great thought and reflection.

Mr. LADD: Have you a copy of those resolutions?

A. I think I have.

Q. Will you bring them in here?

A. Yes sir.

Q. That is, the resolutions to which you now refer?

A. Yes sir.

Q. And they refer, you say, to the method of apportioning to the States their part of the revenue from the inter-state business?

A. Keeping separate the intra-state and inter-state earnings.

Q. You say you pursued this method for a year?

A. I think we kept up the figures for a year, yes sir. We got the figures, because these figures here (indicating) are taken from that record.

Q. There is not the slightest difficulty, is there, in ascertaining to a cent the revenue derived from the intra-state business?

A. Repeat that question please?

Q. There is not any difficulty whatever, is there, in arriving with the greatest accuracy at the revenue derived from the intra-state business?

A. Oh yes, we can do that.

Q. It is easy?

5372 A. Well, it isn't easy, it takes time.

Q. It is no trouble. It is just a matter of taking the way-bills and figuring them up?

A. It is a question of compilation and calculation.

Q. So that a part of this $1,732,961.63, and of the $3,265,711.13 is accurate, so far as it includes intra-state business?

A. Well, the figures were compiled disregarding any division between intra-state and inter-state. There was no attention paid to either class of business.

Q. But under any system, you would ascertain your revenue from the intra-state business by going to the way-bills, and that is what you did during that year, isn't it?

A. We would probably have to do it in arriving at these figures to a certain extent.

Q. Wouldn't you do it and didn't you do it, during this fiscal year 1906, arrive at your revenue from intra-state business by going to the way-bills?

A. Yes sir, we did.

Q. So far as revenue from the intra-state business is included in these figures you have given me, it is correct?

A. Well, off-hand, I should think they were, yes sir.

Q. Taking out the revenue from the intra-state business which is included in these figures, what system, during that year, did you pursue to arrive at Missouri's proportion of the inter-state business which added to the purely intra-state business produced these figures, what system did you pursue in apportioning that?

5373 A. I will have to ascertain the details, just what system was pursued.

Q. Do you know what the system was?

A. Not in detail.

Q. What is the trouble with it? You say it was all incorrect on account of the wrong theory upon which you apportioned them? What was the difficulty?

A. We did not separate the intra-state from the inter-state.

—. I understand the incorrectness of these figures results from the improper method of apportioning to Missouri its part of the revenue from the inter-state business: Now what was that method which you say was incorrect?

A. I will have to refer to the detailed instructions to ascertain just what that was.

Q. Don't you, as Auditor of the Wabash Railroad, know just what method was pursued in arriving at Missouri's part of the intra-state revenue, and which you say emphatically was incorrect, and cannot be relied upon? Did you attend that meeting which adopted those resolutions?

Mr. MINNIS: The question is objected to as containing too many questions.

Mr. LADD:

Q. Did you attend this meeting you have spoken of, where these resolutions were adopted?

A. I did not attend it personally.

Q. Did you read the proceedings of the meeting?

A. Yes, sir.

Q. Was it a subject of discussion between you and the
5374 other Auditors, or your superior officers?

A. Yes, sir, more or less.

Q. And, as a result, you changed the system, and adopted the one you are now using?

A. That is right.

Q. What was the difference between the system you used for the fiscal year ending June 30, 1906, in apportioning to Missouri, and ascertaining what part Missouri was entitled to of the inter-state earnings, and the one you are using now?

A. Under the present system we are keeping the intra-state earnings entirely separate and distinct, and expect to show them separately. Under the old system we did not do that. I don't think our records will show how much of that was inter-state and how much was intra-state business. But hereafter we expect to separate them, just as we have done it in this specific case of Missouri.

Q. You have not answered my question yet: I want to know what system you pursued during the fiscal year ending June 30, 1906, in ascertaining the proportion which was due to Missouri of the inter-state revenue: On what basis was it apportioned to Missouri?

A. Generally speaking, my impression is that in compiling these figures we picked out intra-state earnings, and we added the proportion for Missouri of the inter-state earnings.

Q. How did you reach that proportion, is what I am trying to get at: Did you do it on a mileage basis?

A. We did it on various bases.

5375 Q. What were the bases?

A. There are so many of them I cannot tell you.

Q. Tell us what was wrong about it?

A. Some of them were established——

Q. What was wrong about them?

A. The figures were wrong—well, that is to say, we did not separate the intra-state from the inter-state.

Q. Oh, Mr. Tobin, let us leave the intra-state. The intra-state is capable of exact ascertainment; we all understand that; let us leave the intra-state alone. There is only one way to do it, so every witness I have heard in any one of these cases testify has stated—you go to the way-bills and get it?

A. Yes, sir.

Q. What I want to know is about Missouri's proportion of the inter-state revenue. What was wrong in your apportionment of it, under your system which you pursued for one year, ending the middle of this year: What was wrong, that led you to change it?

A. In Missouri, in this particular case, I cannot say what was wrong with these figures. I will say, generally, that we thought our system of dividing the earnings was not right, and we changed the system, and did not use those figures because the figures we considered correct were put into effect on the 1st of July.

Q. Do you wish us to understand that you are utterly unable to state the method by which for a whole year you apportioned to Missouri its part of the inter-state earnings?

5376 A. No, sir. I can tell you that.

Q. What was the method?

A. There were various methods.

Q. What were they?

A. In some cases they were apportioned on mileage. In other cases they were apportioned on percentages.

Q. What was wrong about them?

A. We believed that in dividing—you had better let me look at the instructions before answering that. I can tell you generally how the division was made. If you want me to state what is wrong about these particular figures I cannot do it without I go to the records.

Q. I will give you all the time you want.

Mr. MINNIS: I will say for your information Mr. Ladd that Mr. Berger is the Auditor of Freight Accounts and is the one who worked out these details.

Mr. LADD:

Q. You have just said that sometimes, in some cases, the apportionment would be on the basis of mileage, and in some cases on the basis of percentages: Is that the language you used?

A. Yes, sir.

Q. How do you apportion it now, since you have abandoned the old method?

A. I will give you that whole thing at one time.

Q. You cannot answer that now?
A. No, sir.
Q. How did you do it before July 1, 1905?
A. That is the question I am going to answer. I am
5377 going to answer how we did it before, and how we do it now.
Q. And how you did it for a year?
A. Yes, sir.
Q. Were those three methods?
A. Only two.
Q. You adopted a new method July 1, 1905?
A. Yes, sir.
Q. You had a system before that?
A. Yes, sir.
Q. And you adopted another one?
A. On July 1st.
Q. When did you adopt it?
A. July 1st of this year.
Q. And you adopted another one July 1, 1905?
A. Yes, sir.
Q. That is two?
A. Yes, sir.
Q. And you had another system prior to that?
A. No, sir.
Q. You didn't have any system prior to that?
A. Prior to that everything was divided on a straight road mileage basis.
Q. How did you come to adopt the system you did adopt on July 1, 1905? What was the occasion?
A. I replied to that question: Shall I repeat the reply?
Q. Certainly.
A. On July 1, 1905, or, rather, in June, 1905, we had a change in our management, and under the new management they
5378 required the detail of operating expenses by Accounting Divisions. We had anticipated for some time keeping the earnings and expenses by States, and then a Report was required and we found we could very readily pick out the expenses by States. We determined then, as long as we could keep the expenses by States we had better keep the earnings by States; prior to that time we had been pro-rating the earnings and expenses between the States upon a road mileage basis.
Q. In preparing the statement of inter-state earnings for Missouri's proportion of the inter-state earnings for the years 1904 and 1905, which is known as Exhibit 5, and which was ready by the middle of June of this year, did you pursue the method of ascertaining Missouri's part of the inter-state earnings which you had been pursuing for a year in your office?
A. I think not.
Q. What method did you pursue?
A. This statement called for a separation of the intra-state from the inter-state, and we ignored any figures that we had made upon

this previous basis, and took the actual figures from the way-bills and records.

Q. How long was your force engaged in the preparation of this Exhibit 5, this first statement you rendered here?

A. I think we must have been six weeks or two months making that up?

Q. Six weeks?

A. Six weeks or two months.

It was ready by the middle of June, 1906?

5379 Q. Mr. Minnis states it was delivered to us on the 15th or 16th of June, 1906.

A. We had it ready for the first hearing.

Q. If Mr. Minnis is correct, and I have no doubt he is, this statement was ready by the 20th of June?

A. Yes, sir.

Q. And you had been engaged on it for six weeks or two months?

A. A month or two anyway.

Q. Now I will ask you if the results of this statement, so far as it shows the apportionment to Missouri of the inter-state earnings for 1904 and 1905 were not reached by the same methods you were then pursuing and had been pursuing in keeping the accounts?

A. The details of that statement were prepared by the Auditor of Freight Accounts, and I would prefer to let him answer that question. He made up the details.

Q. Did you give him any instructions?

A. The instructions he received were to prepare a statement of the freight earnings for Missouri for the years 1904 and 1905, separated, so as to show intra-state and inter-state freight earnings.

Q. Do you think it at all likely that any different course was pursued in arriving at Missouri's proportion of the inter-state earnings for this case than you were pursuing in your own office from day to day, at that very time?

A. If we considered that our basis of apportionment in

5380 this record of earnings for the State was not correct, and we were called upon to make up a statement that was to be testified to, under oath, we would try to get our figures accurately. You understand that in making up this apportionment of earnings by States, we made it for statistical purposes, because it came closer to giving the States the facts than a road mileage basis. That is evident from the figures you brought out yesterday.

A. At the time this statement Exhibit 5 was in course of preparation you had in vogue in your office an established method which you had been pursuing for the better part of a year, for ascertaining Missouri's part of the inter-state revenue: Do you mean to say you departed from that method in preparing this statement?

Mr. MINNIS: That is objected to because he has repeatedly said that he did not make it according to that statement, and that statement was abandoned as being unreliable.

Mr. LADD: It had not been abandoned then.

Mr. MINNIS: It had been abandoned before July. He said they had never entered it upon the books of the Company except as a

memorandum. He also said that the method did not separate the intra-state and the inter-state. He said he was called upon to make a report that he could testify to, that did separate the two. It seems to me has covered that repeatedly.

The MASTER: The objection is overruled.

5381 Q. Mr. Tobin, this suit had been brought when you adopted that system, July 1, 1905, which prevailed in your office for a year, had it not?

A. I don't know. The first intimation that I had that any suit was brought, was when we were called upon to prepare a statement, some time along in April or May.

Mr. MINNIS:

Q. What year?

A. 1906.

Mr. LADD:

Q. Did you attend any of the meetings of the representatives of the Railroad Companies of this State, which were held after the approval of this Act of 1905 by the Governor, for the purpose of discussing the action, if any, which would be taken by the Railroad Companies in view of it?

A. No, sir, I did not attend such a meeting, nor did I know such a meeting had taken place.

Q. Did you converse with any of the representatives of your Company, officers or employes of your Company, in reference to it?

A. No, sir.

Q. You did not?

A. No, sir.

Q. Did you have anything to do with the preparation of the figures which appear in the Bill of Complaint in this case, filed by your Company?

A. I think we made a statement about a year ago, of some figures in connection with this case; some figures on certain commodities. We were called upon to prepare a statement.

Q. But these figures to which I refer now as contained
5382 in this Bill of Complaint, were filed in court on the 16th day of June, 1905: Did you have anything to do with the preparation of the figures which are embodied in this Bill?

The MASTER: You are referring to the Bill; to identify the figures to which the question relates, you may examine the Bill of Complaint, if you desire, Mr. Tobin.

A. If you can give me an idea of what the figures are I can probably be able to testify.

Mr. LADD:

Q. Here are some on page 17 of the Bill.

A. (After examining Bill of Complaint): No, sir. There were no detailed statements prepared in my office. The figures shown there may have been taken from the Annual Report, or the published Re-

port. About a year ago I think our Auditor of Freight Accounts was called upon by our Traffic Department to prepare some freight figures in connection with that. Just what they were, I don't know. I knew nothing about what case they were made up especially for.

Q. I will ask you if in the preparation of this statemet, which was all completed by the 20th day of June, 1905, you did not, in arriving at the sum of money to be apportioned to Missouri as its part of the inter-state earnings for the years 1904 and 1905, use the same percentages or the same basis of percentages, as were used by you in your office in the daily course of business at that time?

Mr. MINNIS: Unless the Court wants to hear that again, he has repeatedly answered that question.

The objection is overruled.

5383 A. The detailed statements were prepared in the office of the Auditor of Freight Accounts, and he will answer that question.

Q. Did you have anything to do with the preparation of this statement Exhibit 5?

A. Yes, sir.

Q. You gave instructions about it?

A. Yes, sir.

Q. What instructions did you give to your subordinates in regard to the ascertainment of the inter-state earnings to be apportioned to Missouri and shown to the Court?

A. The instructions were, that the statement was to be prepared for the State of Missouri, for the two years, showing a separation between intra-state and inter-state freight earnings.

Q. What were your instructions as to apportioning to Missouri its part of the inter-state earnings?

A. The Auditor of Freight Accounts is familiar with the duties of his office, and——

Q. What were your instructions?

A. My instructions were not in detail. He prepared the detail.

Q. You gave him no instructions at all?

A. None at all as to the detail.

Q. I understand you did not give him any instructions as to apportioning, or the method of apportioning to Missouri its part of the inter-state revenue? Is that true?

A. I think not.

5384 You are not responsible for that, then?

A. I am responsible.

Q. You are?

A. Yes, sir.

Q. Do you know what method he adopted?

A. He adopted the method that would bring the correct figures.

Q. Did he adopt the method in use in your office?

A. Yes, sir, he adopted the method of making apportionment.

Q. That was in vogue in your office?

A. Yes, sir.

Q. Well, I have got an answer.

A. You understand, when I say the method in vogue in our office, I meant that we make the division on certain lines and branches covered by certain mortgages, and we have established percentages for arriving at those figures.

Q. You say some of it is arrived at according to mileage?

A. I don't think I had better testify in detail on that, because we have so many, varied percentages; and our Auditor of Freight Accounts will give you all the details; he has it all. He has the various percentages, and how arrived at, and so on. You will get better results by going into details with him.

Mr. MINNIS: As I understand it, you refer to the old method, when he said he used mileage?

Mr. LADD: He said awhile ago that part of it was arrived at on the basis of mileage and part on percentage.

Mr. MINNIS: Wht do you mean by "it"?

5385 Mr. LADD: Missouri's part of it.

Mr. MINNIS: The one he says is abandoned now?

Mr. LADD: Yes.

Q. Now, Mr. Tobin, I have taken a transcript of part of your testimony given here on the first day, in answer to questions by Mr. Minnis on your direct-examination, and I should like to read part of it to you:

Q. How did you get the 65 per cent. as representing the proportion of freight expenses?

A. The freight proportion, 65 per cent, is arrived at in the following manner: all expenses known to be freight expenses are charged direct to freight. All expenses known to be passenger expenses are charged direct to passenger. Expenses which are common to both freight and passenger, are divided between freight and passenger, upon the revenue train mileage basis. The result of this division between freight and passenger is freight proportion 65 per cent, and passenger proportion 35 per cent.

Q. Then, freight proportion indicates on the statement the expense for handling freight, apportioned on a train mileage basis, where you have not the actual figures; and passenger proportion means the proportion of expenses that you have allowed the passenger service, including mail, express and miscellaneous service, based on a train mileage basis, where you have not the actual figures?

A. I can probably make that more clear by citing a case:

5386 For instance, you take the freight station at St. Louis, which is exclusively for freight; we charge it all to freight. Then take an exclusively passenger station, where nothing else but tickets are sold, we charge it to passenger. Then take a station which is common to both freight and passenger business, that is, where they do both freight and passenger business in the same station; the agent is both freight and passenger agent, and looks after the express business and everything else; the expense of that station we pro-rate upon a train mileage basis, charging freight its proportion, and passenger its proportion, whatever it may be.

Q. In order to determine the expenses referred to in Item 8 of Exhibit 2, you took the total operating expenses for Missouri, for the year 1904, we will say, as shown by Exhibit 4, didn't you?

A. Yes, sir.

Q. With respect to those expenses which cover both freight and passenger service, and which cannot be separated, you ascertained the per cent the freight earnings bear to passenger earnings, in order to determine them?

A. No sir, that is determined upon a revenue train mileage basis.

Q. As I understand you, these expenses which are incurred in conducting freight business alone, may be ascertained; that is, the actual figures may be ascertained?

A. Yes, sir.

5387 Q. And you call that "train mileage basis"?

A. Yes sir.

Mr. MINNIS:

Q. You use that basis for determining those expenses which cover both freight and passenger service, and cannot be separated, don't you?

A. Yes sir.

Q. For instance, you can determine with accuracy a great many of the items of expense incurred in conducting freight business, can't you?

A. Yes sir.

Q. As to those expenses, you have used the actual figures have you?

A. Yes sir.

Q. Give us an illustration of expenses incurred for both passenger and freight business, which cannot be separated?

A. Well, probably the simpest illustration would take place—practically, take St. Louis, for example. Railroads in St. Louis have separate freight stations, and have a separate passenger station. The total expenses of operating that freight station are charged to freight; and the total expenses of operating the passenger station are charged to passenger. Take the city ticket office, where it is for exclusively passenger business, the expenses are charged to passenger expenses.

5388 Q. Mr. Tobin, please examine Exhibit 3, on which appears the figures $3,027,256.73, as the freight expenses for the year 1904 in Missouri: I wish now you would give me in dollars the amount of that expense which you found to be exclusively freight expense and as to which you have already testified the actual figures may be ascertained?

A. In making a division of operating expenses between freight and passenger, we do not divide in any detail; we simply divide it upon the totals; and if any further detail is necessary we take the total as a basis. In other words, in pro-rating expenses we make an effort to divide the freight and passenger expenses for comparative purposes only. We do not say they are correct, and we know they are not correct. We maintain that you cannot make an exact division between freight and passenger expenses, where it is not

actual. But for comparative purposes we do make a division between freight and passenger, using a train mileage basis. We do not, however, attempt to make the division in detail, but simply on the total operating expenses for the whole system.

Q. I want to call your attention again to your testimony which I have read to you: "All expenses known to be freight expenses are charged direct to freight; all expenses known to be passenger expenses are charged direct to passenger." Now what did you do in this case, or is that a mistake in your testimony?

A. I stated that the freight proportion is 65% I went on to say that the freight proportion is arrived at as follows: We first
5389 ascertain what the operating expenses for Missouri were, and in order to determine what the freight proportion was, we gave you a formula to show how the figures were arrived at, showing that in dividing our freight expenses if we know they are freight we charge them to freight; where we know they are actually passenger, we charge them to passenger.

Q. Exactly. That is what I want. Now give me the amount of money, actual freight expenses, which were charged to freight for the year 1904, and the actual amount of money which was charged to passenger expenses, which you can identify, for the same period—exclusively freight and exclusively passenger—that is the way you stated it—for the year 1904; and I would like to have it also for the year 1905?

A. The formula I gave you. They are both done in the same manner.

Q. Will you give me those figures?

A. Yes, sir. We first determined what the expenses were for the State of Missouri——

Q. Mr. Tobin, you have said that so often I don't care to listen to it any more; what I want is the figures. How much of this $3,027,256.73 did you ascertain, in dollars, was the expense of doing the exclusively freight business?

A. In Missouri?

Q. In Missouri.

A. Mr. Ladd, I told you before that in making the separation between freight and passenger, we did not deal in details.
5390 We first arrived at the proportion of expenses, and then determined what the freight and passenger proportion for the System was, and divided it accordingly.

Q. Mr. Minnis asked you "As I understand, these expenses which are incurred in conducting freight business alone may be ascertained, that is the actual figures may be ascertained?" and you said "Yes."

A. That is true.

Q. Did you do it?

A. Yes, sir; upon our basis.

Q. What are the figures?

A. I did it upon the basis——

Q. I don't care anything about the basis: I want to know what are the actual figures for conducting the freight business in Missouri in 1904, which you can trace exclusively to freight business?

A. We arrived at the figures by taking as a basis six months. We then determined what the total expenses were for the previous eighteen months, and we took a percentage of those expenses. In taking a percentage of those expenses, we also took the freight's proportion, as determined——

Q. You did not, then, do it as you told Mr. Minnis.

A. Yes, I did.

Mr. MINNIS: I wish you would do that. What figures did you use? I don't understand that myself.

The MASTER: It appears upon the face of the Exhibit to which reference is made by counsel, "The freight proportion is arrived at as follows: All freight expenses are charged direct to
5391 "freight." All passenger expenses are charged direct to "Passenger." All expenses common to both freight and passenger are divided between "freight" and "passenger" upon the basis of revenue train mileage: The result of this division between freight and passenger is as follows: Freight proportion 65% passenger proportion 35%."

That appears upon the face of the Exhibit itself.

Mr. LADD: I did not notice that for the moment. I remember that now.

Q. Look at that Exhibit (indicating Exhibit 5). Now what I want is, in dollars and cents, the freight expenses for the year 1904, which are charged direct to freight; and in dollars and cents, the passenger expenses for the same year, which are charged direct to passenger; also the same figures for 1905.

A. You asked me yesterday, Mr. Ladd, a question which will probably throw some light on that.

Mr. MINNIS: Mr. Tobin, cannot you give the figures on which this computation was made? I want to understand it. You may understand it, but I don't and it seems counsel on the other side does not. You have to have figures to get a percentage; what were the figures you used, the actual figures?

A. The actual figures are pro-rated upon large sheets. We take these large sheets and we pro-rate all those expenses. Anything that is freight, we put into the freight column——

Q. Can't you get the aggregate of that freight column somewhere? That is what Mr. Ladd is after, and what I would like to have.

5392 A. I can make up a detailed statement, but it will take time to do it. I have here some figures showing the division between freight and passenger for the year ending June 30, 1906, that Mr. Ladd asked me for last night, which will probably serve to throw some light on this subject.

Mr. LADD:

Q. What is that?

A. You asked me last night to make up some figures. You said operating expenses of Missouri were 56% and you asked me a question about that.

Mr. MINNIS: Before we get off this other question: If you are

not prepared now to furnish those figures showing freight expenses that may be separated and passenger expenses that may be separated, in order to confirm your statement that the percentages are 65% and 35%—is that it Mr. Ladd?

Mr. LADD: That is it exactly.

Mr. MINNIS: I want to know what those figures are, too.

(Colloquy here follows.)

Mr. LADD:

Q. Mr. Tobin, I think I asked you yesterday, if the books, papers, sheets, accounts of some kind, which you keep in your office, and which are still there, from the 1st of July, 1905 to June 30, 1906, do not show that your freight operating expenses in Missouri were only a little over 56%, and your total operating expenses for the period from July 1, 1905 to December 30, 1905—the first half or the last half?

A. I can give you those figures for the year, if you like.

Q. In a note to one of your statements you said that your percentages in money, and your figures for the first half of
5393 1905, and the whole of 1904, are based upon your showing for the last six months of 1905, and that is the reason I called for it.

A. Very well.

Mr. LADD: I think for the present I will leave that ratio of expenses, until we get some information; but I am not through with that subject.

The MASTER: Very well.

Mr. LADD:

Q. Mr. Tobin, can you state what was the average of operating expenses per mile of the System, for Missouri, for the year ending June 30, 1906?

A. Maintenance of way and structures cost per mile $1168.84. Maintenance of equipment cost per mile $1176.70. Conducting transportation cost per mile $3650.58. General expenses cost per mile $235.50.

Q. Is everything included there except taxes?

A. Yes sir.

Q. The reason I asked you is, I see you have a little more minute detail in the statement rendered here. You have an item "Loss and damage to property," and "mileage of cars."

A. That is all included in "conducting transportation." The figures are shown separately there according to the printed form.

Q. That is for the fiscal year ending June 30, 1906?

A. Yes sir.

Q. With reference to the charge for maintenance of rolling stock in Missouri for 1904, what relation does it bear to the total
5394 expense for that purpose for the entire system for the same period? What is the percentage?

A. The cost per mile for maintenance of equipment in Missouri for 1904 is $1248.77.

Q. You misunderstood me.

A. What is your question?

Q. What relation does the charge for maintenance of rolling stock—that means equipment?

A. Yes sir.

Q. What relation does the charge for maintenance of rolling stock in Missouri for the years 1904 and 1905 bear to the total expense for that purpose on the entire System for that period: That is the percentage?

A. I will get that for you this afternoon.

Q. What relation do the charges for conducting transportation, (and I think in that you had better include injuries to persons, etc., as you did before) in Missouri for the years 1904 and 1905, bear to the total expenses for the whole System: What was the percentage?

A. I will get that.

Q. And the same question as to the charge for general expenses for those two years?

A. Very well.

Q. The Company hauls a large amount of freight, of its own material, such as rails, ties, and other things, doesn't it?

A. Yes sir.

Q. What proportion of the total freight, in volume of ton-
5395 nage would you estimate that to be. I mean, in Missouri?

A. I cannot tell you it for Missouri. I cannot answer that question, for Missouri. I can give you the total for the whole System.

Q. And from that you could give us the percentage to the total freight tonnage?

A. We have not worked up any total freight tonnage for Missouri at all.

Q. I say, for the System.

A. I could tell you what proportion the Company's freight bore to the revenue freight for the System, for any one year.

Q. In volume?

A. In tonnage.

Q. Will you do that. You say you cannot do it for Missouri, but you can for the System?

A. I have the figures right here for the System (indicating printed report).

Q. Is that the annual report of the Directors to the stockholders for this year?

A. Yes sir, For the year ending June 30, 1906. Will that answer?

Q. Yes, that will do.

A. The tons of revenue freight were 12,016,925; the tons of Company freight were 1,694,962.

Q. What per cent. is that?

A. About 12 per cent. of the total tonnage.

Q. To what account do you charge the expense of trans-
5396 porting that material?

A. The expense of transporting Company freight is

charged to the same expense as we charge the transportation of any freight. In other words, it all goes into the operating expenses of the road.

Q. Do you charge it to freight or passenger?

A. Transporting freight is in freight service, and probably the charge part of that would go to freight expense.

Q. What do you mean by "charge part"?

A. Transporting freight, would be a freight expense, handled on freight trains, and, therefore, would be charged to freight expenses.

Q. Then it would be all charged to freight expenses if it is handled on freight trains?

A. Yes sir, all freight expense. The freight would be handled by the freight station force. Take a case where the freight is handled by a joint force, "passenger" would participate in its proportion.

Q. You say it is all handled on freight trains?

A. Yes sir.

Q. And handled by freight crews. You don't have a passenger crew on a freight train?

A. No sir, I am now referring to a passenger force handling it on passenger trains. All handled on freight trains, by freight crews, would be all "freight;" that is undoubtedly true.

Q. That part of it, the expense of the freight crew, the expense of the locomotive, wear and tear of cars and locomo-
5397 tives, and the wear and tear of the right of way, the rails, the track—all such things as that would be charged to freight expense: Is that right?

A. No sir.

Q. Then what is it?

A. The wear and tear of track would be charge- to freight and passenger both, in proportion to the mileage.

Q. To the mileage?

A. The revenue train mileage.

Q. Leaving out wear and tear of track: The wages of the train crew, fuel for the locomotive, repairs to the locomotive—which is a freight engine, isn't it?

A. Yes sir—the freight engines are sometimes used in freight service and sometimes in passenger service.

Q. For hauling Company material would you use passenger engines?

A. Not as a rule. Not on the Wabash road. Some roads would.

Q. Repairs of freight cars: That would all be charged to freight expense?

A. Yes sir.

Q. That is right, is it?

A. That is true.

Q. Although the freight itself is for the use of the passenger as well as the freight department of the road. Suppose the freight consists of rails to be laid down in the track, those are used by the Company passenger trains as well as freight trains, aren't they?

5398 A. Yes sir.

Q. Suppose it consists of ties, the same is true of that article, isn't it?

A. Yes, that is true.

Q. Suppose it consist- of coal, part of which is to be used by your passenger engines, or suppose it is bridge irons, timbers, supplies, etc., you say it is all charged to freight expenses?

A. Yes, sir.

The noon hour having arrived recess was here taken until two o'clock.

After recess on Thursday, November 22, 1906, the following proceedings were had.

Cross-examination of Mr. T. J. TOBIN was contined as follows:

Mr. LADD:

Q. Mr. Tobin, I asked you to look up one or two matters, before recess: Did you have time to do that?

A. One of the matters was in connection with the question of the charge of sixty-five per cent. for freight.

Q. Leave that, and see if you have anything else.

A. You asked me for the ratio of certain expenses to total expenses: That I will have in a few minutes: It is being prepared now in my office.

Q. Was there anything else?

A. The question also as to how the earnings were compiled for Missouri for the year ending June 30, 1906, which I gave you this morning. Those figures were compiled by the Auditor of
5399 Freight Accounts, and he is familiar with the methods by which he ascertained those figures.

Q. I asked you yesterday, and it was referred to again this morning, whether you had not in your office records, papers or accounts, kept by your Company in the usual course of its business, from which it appears that the freight operating expenses for the last six months of the year 1905, excluding taxes, were about 56 per cent of the total operating expenses in the State?

A. I have some figures here showing the freight proportion of operating expenses for the whole System, for the year ending December 31, 1905, is 64 per cent, or, to be specific, 63.98 per cent. And taking the full year, the freight proportion of operating expenses for the System is 65.37 per cent. I have also figures showing the percentage of freight expenses for the Wabash System for the following years: June 30, 1901, 67.71 per cent.

Q. I wish you would answer my question, Mr. Tobin.

Previous question read.

A. I don't know of any such records. At least we have not compiled any data to show any such figures.

Q. Do you say that there are not in your office, at this moment, records, papers or accounts kept, by your Company, from which it appears, or by the compilation of them it can be made to appear,

that the freight operating expenses, excluding taxes, in Missouri, were about 56 per cent of the total operating expenses in the State, for the six months ending December 31, 1905: Do you say there is no such thing in your office?

5400 A. No sir, I do not say so.

Q. Have you looked for it?

A. I said this morning I would see if I could compile a statement, to compile such figures for Missouri.

Q. We took a recess of two hours at noon, I will ask you if you looked for any such books, papers, or accounts, and if you found them?

A. Yes sir; I did and I have.

Q. But you could not find them?

A. I have men looking now to see if they could find those figures.

Q. If you had said so in the first instance, it would have saved many questions.

A. I told you it would take a long time to do it.

Q. How long?

A. It will take possibly two or three days.

Q. You have all the books and accounts to do it?

A. If we have all the books and data. If the data is in my office, I can do it.

Mr. MINNIS: I thought the question was, whether he had compiled a statement of that kind in his office; but the question is whether the data in his office would afford a basis for making the compilation?

Mr. LADD: The question has always been the same.

Mr. MINNIS: Perhaps I did not grasp it. I thought your idea was, that you thought they had some statement already prepared.

5401 Mr. LADD: I didn't intend anything of that sort.

The MASTER: Now he says no such compilations have been made, and he does not know if the records in his office when compiled will result in the manner indicated; but he has men at work now, who will continue the work until it shall have been completed, and Mr. Ladd shall have the benefit of the conclusions reached by those compilations. That is doubtless satisfactory?

Mr. LADD:

Q. I will ask you, Mr. Tobin, if there are books, records, accounts or papers in your office, from which it can be definitely ascertained, or with sufficient approximation to answer our purposes here, what proportion of your total operating expenses for the last six months of 1905 was, or should be, charged to the freight business of the State?

A. Those are the figures I am compiling.

Q. The papers are there, are they? The question is are the papers there from which the result would be obtained?

A. I do not know whether we have all the figures, no sir. You understand, in compiling these figures we may not have the data to pro-rate between freight and passenger. It may be done by de-

partments. We only treat the division of freight and passenger of the whole System, and in making any pro-ration between lines and branches, or between accounting divisions, we do not make any efforts to pro-rate between freight and passenger.

Q. I will ask you if those accounts have been kept by accounting divisions, the accounts of the freight expenses, so that you can state the freight expenses separately from the pas-
5402 senger expenses, for your different accounting divisions?

A. If we can do so, we will do it.

Q. And, among others, the accounting division to which Missouri belongs?

A. If we can do so, we will do it.

Q. I simply ask you if your accounts are kept in such shape that you can do it?

A. We have men at work on it now, and if we can compile the figures so it can be done, we will do it.

Q. You do not know, even, whether the accounts have been kept by accounting divisions, so it can be done?

A. No sir, I do not know. I won't say that I do know.

Q. Would anybody assume to keep accounts in that manner without instructions from you, or your approval?

A. Mr. Ladd, if the figures are in our office, you will get them.

Q. Mr. Tobin, you say that for the year 1904 the expense of the freight service was 65 per cent of the total expenses in the State: Your statement says that, and your testimony also. Your statement, Exhibit 4, fixes the total operating expenses in the State at $4,657,318.04, for the year 1904. 65 per cent of that, according to my calculations (and I don't think it is very far out of the way) is $3,027,256.73: will you verify that and see if it is correct?

A. (After calculating:) Yes sir, that is correct.

Q. You have it stated here on Exhibit 3, haven't you?

A. Yes sir.

Q. According to Exhibit 4, your total intra-state and
5403 inter-state freight earnings for that year were $2,468,923.56:

A. That is correct.

Q. You therefore lost, did you, on the entire freight business of the State, both intra-state and inter-state, $558,333.14?

A. Yes sir, that is right.

Q. That is right, is it?

A. Yes sir.

Q. You lost over half a million dollars for transporting freight in that State?

A. The figures so show it.

Q. Both inter-state and intra-state freight?

A. Yes sir.

Q. The figures shown under Item 1 of Exhibit 4, receipts from freight, are actual receipts, aren't they?

A. Actual receipts, yes sir.

Q. That was in 1904?

A. Yes sir.

Q. The Act of 1905 was not in force then; the legislature that passed it had not met, or been elected?

A. Those were the actual receipts.

Q. The Act of 1905 had not anything to do with that, had it? That loss?

A. I should say not.

Q. If you were losing money at that rate on your whole business intra-state and inter-state, why didn't you put up the rates?

5404 Mr. MINNIS: That is objected to. He has nothing to do with the rates.

Mr. LADD: He is here representing the Company. I cannot go out with a drag-net and bring in every one.

Mr. MINNIS: You should ask the proper ones.

The MASTER: If he knows why the rates were not raised, he may answer.

A. I know nothing about it.

Mr. LADD:

Q. According to Exhibit 4, item 17, the net earnings of the whole business of the State were $1,494,676.00 Is that right?

A. Yes sir.

Q. That was all made, I suppose, on the passenger, mail, express and miscellaneous business?

A. The figures would so indicate.

Q. And the passenger, mail, express and miscellaneous business not only made $1,494,676.00 but made in addition $558,333, which you had lost on freight business: Is that not right?

A. If those figures are correct.

Q. I am taking your figures.

A. What figures?

Q. What did you use? Subtract $2,468,923.56, which I believe are your figures, from $3,027,256.70, which are also contained in your statement: What is the difference?

A. The difference is $558,333.17.

Q. That is the loss on the freight business, is it?

A. Yes sir.

Q. According to your figures?

5405 A. Yes sir.

Q. So that the passenger, mail, express and miscellaneous earnings made your net earnings $1,494,676, and in addition made an amount equivalent to your loss on the freight business, $558,-333.17, making the total net profit on the passenger, mail, express and miscellaneous business for that year $2,053,009.17: Is that right?

A. Yes sir, that is right.

Q. Now, according to your statement, for the year 1905, as shown on Exhibit 3, your total operating expenses for Missouri were $4,534,-330.29. According to the same statement 65% of that, which is due you say to the freight operations, is $2,947,314.69. Your total receipts from the freight business of that year, both intra-state and inter-state, according to Exhibit 4, are $2,775,009.26: What is the resulting loss?

A. $172,305.43.

Q. According to statement Exhibit 4, your net earnings in Missouri, on business of all kinds was $754,486.07?

A. Yes sir.

Q. It follows, then, that those earnings were made exclusively by passenger, mail, express and miscellaneous business, doesn't it?

A. Yes sir.

Q. So that on the whole the passenger, mail, express and miscellaneous business made that amount, and also made up the loss
5406 on your freight business, which amounts on the whole to net earnings of $926,791.50: Is that right?

A. That is right.

Q. Mr. Tobin, I would like to ask you, notwithstanding those figures, if you really think that that is a fair statement of the result of the operations of your road in Missouri for 1904 and 1905: Isn't there some mistake there?

A. I think not. The passenger business was very large, abnormally large during those two years, on account of the World's Fair business.

Q. Was the freight business abnormally bad?

A. The freight business? I don't know.

Q. You say the passenger business was abnormally good during those two years: I ask you if you know anything about the freight business, whether that was abnormally good or bad during those two years?

A. I don't know. I know about the passenger business, because we had the World's Fair during that year.

Q. 1904?

A. Yes sir.

Q. Did you have the World's Fair in 1905?

A. Well, no, but there was considerable business that lapped over.

Q. Passenger business?

A. Yes sir.

Q. Was your freight business abnormally bad during 1905?

A. I don't know.

Q. You don't know anything about it?

A. The figures show that the freight business was greater
5407 in 1905 than it was in 1904.

Q. I see it does.

A. That is all I can say about it. I am speaking now from the figures.

Q. Was that a poor year *fro* the freight business?

A. I don't know.

Q. You were not obeying the Act of 1905, were you? You were paying no attention to it?

Mr. MINNIS: I think it is understood that the Act was enjoined since these suits were brought.

Mr. LADD:

Q. You were not endeavoring to pay any attention to the Act of 1905?

A. That is a question that will have to be answered by the traffic people. They are the ones who can testify as to the rates. I will testify only as to the accounting department. I am testifying only from the figures that have been prepared.

Q. Who is the man you are going to refer me to now?

A. I don't know.

Mr. MINNIS: He is not the man to answer that. I have offered to get any book or paper, or any witness, who was desired, and have told the expert for the State so. I say it is unkind of counsel on the other side to make such insinuations. I can give him a folder that gives the names of all the persons in our Traffic Department. It is wholly unfair for him to ask the witness.

The MASTER: He ought to have the right to inquire of this witness to whom he shall apply for figures that he himself
5408 is unable to give him; that is what I understand the question to be.

Mr. MINNIS: Does your Honor understand that to be the question?

The MASTER: I am taking everything that occurs here, on both sides, to be said with the utmost good faith.

Mr. MINNIS: With that understanding, your Honor's ruling would be correct.

Mr. LADD:

Q. I will ask you, who should know whether the year 1905 was abnormally good or bad, or normal, for the freight business of your Company, in the State of Missouri?

Mr. MINNIS: I will make this objection: The witness has never said that anybody else would know whether the business was normal or otherwise. He said in reply to a question as to whether we obeyed the law, or paid any attention to the Act of 1905, that they would have to ask the Traffic Department about it; but there is no statement from the witness at all that he has any knowledge at all of anybody knowing whether the business was normal or abnormal during the year 1905.

The MASTER: The witness is a very intelligent man, and the question is a very fair one, it seems to me. It may be that the witness himself knows whether those years presented any abnormal features, or if he does not, he may refer to some one who does.

A. As I understand it, there are two questions put to me, neither of which I have answered.

Mr. LADD: Let me ask another, and disregard those.

5409 Q. Do you know whether the freight business of the Wabash System in Missouri, for the year 1905, was abnormally good or abnormally bad?

A. I can answer that question for the whole System, because I have the figures showing what the earnings for the various years were, but I cannot answer that question for Missouri.

Q. You don't know?

A. No sir, I don't know.

Q. I ask you, is there anyone connected with the Wabash System who would know and be able to answer that question?

A. The Traffic Department possibly would know.

Q. All the accounts go through your Department?

A. Yes sir.

Q. You keep an account, don't you, of all the moneys received and all the moneys paid out?

A. Yes sir.

Q. And you cannot state, with those facilities which I suppose you possess, whether the freight business, judging from the receipts and expenditures in connection with it, was abnormally good or abnormally bad, in Missouri, in 1905?

A. I have no means of stating it particularly for Missouri, because we keep no records for the State of Missouri separately from the balance of the System. I can tell you for the System as a whole, but I cannot tell you for Missouri.

Q. It appears, then, from the testimony so far that you have given, that during the year 1904, before the passage of the
5410 Act of 1905, and during the year 1905, when the State authorities were enjoined from enforcing the provisions of the Act of 1905, your Company lost money on the freight business, as a whole?

A. The figures show so, yes——

Q. —if the freight expenses were 65% of the total operating expenses?

A. The figures so show it, yes sir.

Q. Had that been the continued experience of the Wabash Railroad in the management of its freight business in Missouri?

A. I don't know.

Q. How long have you been Auditor?

A. I stated a moment ago that we did not keep any record separate for Missouri, and therefore, I am unable to answer any questions about Missouri.

Q. And there never has been any effort, do you say, to ascertain whether the freight business in Missouri was carried on at a profit or a loss?

A. We never were called upon for any figures of that kind before this case came up.

Q. I know that: But did not the officers—among others yourself—take sufficient interest to ascertain whether the business in Missouri was a paying or a losing business?

A. The management was probably satisfied—I will with-draw that. I don't know.

Q. Do you mean to say that it is impossible for the Wabash System, in Missouri, to earn any money on its freight business?

A. I cannot answer that question, off-hand.

5411 Q. Was the management doing the best it could to earn some money?

Mr. MINNIS: I don't think that it is fair this witness should be called upon to express an opinion about the management.

Mr. LADD:

Q. Are we to infer that the Wabash System in Missouri is so situated that it cannot make any money by doing freight business?
A. I am not competent to answer that question.
Q. Do you know whether the Wabash System in Missouri has ever made any money on the freight business?
A. I have just stated that we never kept any figures for Missouri separately, and, therefore I am unable to state whether they have not *not*.
Q. Your total reads, according to Exhibit 4, Receipts from freight business as transported in the State of Missouri, for 1904 $2,468,923.56—that is right, is it?
A. Yes sir, that is correct.
Q. You were not restrained by the Act of 1905 at that time. Your losses on that business during that period were $558,333.17, you have stated?
A. Those figures are correct.
Q. In order to come out even on your State business, intra-state and inter-state, you would have had to make a horizontal raise in all your freight rates, equivalent to 20%, would you not?
A. If the figures show that percentage.
Q. Look and see. I have just approximated it. $558,000 is more than 20% of $2,468,000, isn't it?
5412 A. Yes sir.
Q. Did you raise your rates during 1904?
A. I don't know.
Q. Did you raise your rates during 1905?
A. I don't know.
Q. Did you know you were doing the freight business in Missouri at a loss, until you made up the statement for this case?
A. I, personally, did not know it.
Q. Had you heard that you were?
A. No sir, I knew nothing of it.
Q. Had any of the officers of the Company ever said to you that the freight business in Missouri was being done at a loss, until this statement was made for this case?

Objected to by counsel for complainant.
Objection overruled.

Q. You never found it out, Mr. Tobin?
A. No sir, I knew nothing about the freight business in Missouri until I was called upon to prepare this statement.
Q. The estimated loss, according to your statement Exhibit 2, which would have been occasioned to your Company by the enforcement or by the observation of the Act of 1905, was $32,405.96, an insignificant amount, isn't it, as compared with the $558,000 which you were actually losing, before the passage of that Act. And you came into court to assert a loss of $32,000, when you were losing all the time $558,000: Is that right?
A. This statement so shows it.

5413 Q. There is some information which I would like to have, if I can get it from you, Mr. Tobin, similar to what I have already asked for, and which you are going to see if you can obtain: I will ask you the question: I would like to know, from the books, accounts and records, and papers of various kinds, which you keep in your office, and which have been already referred to, how much the actual, total operating expenses in Missouri were, for the fiscal year ending June 30, 1905. When I say actual, I understand perfectly well that such items of expense as "general expenses", and some such things as that, you have to pro-rate upon a revenue train mileage basis, which I think is perfectly proper. But I understand there is a very large part of that expense which can be ascertained definitely, between freight and passenger, and that you have actually pro-rated the expense which is common to both, and that it appears, or can be made to appear, from figures which your office has made.

Then I would like to know from what the percentage is as shown by those figures, for the conducting of the freight business as compared with the entire operating expenses. Exclude taxes if you will.

I would like also to know what your freight earnings in Missouri were for the year ending June 30, 1906.

Also your passenger earnings for the same period, in Missouri.

I would like to know the ratio between the freight earnings in Missouri and the total earnings for the same period in the State.

5414 I would like to know the passenger earnings, and also the earnings from what you designate as mail, express and miscellaneous.

A. This will all take a great deal of time.

Q. Then I would like to know what the percentage of freight earnings during that period was to the total freight earnings in Missouri. Perhaps I have already asked for that.

I would like to know the freight earnings in Missouri for the last half of 1905.

Also the passenger earnings for those six months.

Also mail, express etc. earnings for the same period.

Also the percentage of freight earnings for the last six months of 1905 to the total earnings of the System in the State for the same period.

I would like to know the gross earnings of the System for the calendar year 1905. How much was freight and how much was passenger and how much was mail, express, etc.

Also the total operating expenses of the System for the calendar year 1905. How much for freight, how much for passenger, and by "passenger" there I mean everything other than freight: That is the way you divide expenses?

A. Yes sir.

Q. Those questions which appertain to the operation of the entire System, I would like also the same information for the fiscal year ending June 30, 1906?

A. Very well.

Q. Can you answer now what percentage the expense for maintenance of equipment in Missouri for the year 1904 is of
5415 the total expense for that purpose for the entire System?
A. 20.60%.

Q. What percentage does the expense of conducting transportation, not including the loss and damages to persons and property in Missouri for the year 1904 bear to the total expenses for the entire System for the same period?

A. 21.88%.

Q. What percentage does the charge for General Expenses in Missouri, for the year 1904, bear to the total charges on this account for the System?

A. 23%.

Q. How did you dispose of the bridge tolls collected on account of the use of the Hannibal Bridge across the Mississippi River?

A. That is a detail which is handled by the Auditor of Freight Accounts, and he will answer that. Please repeat that question.

Q. Previous question read.

A. I thought you meant the bridge tolls deducted in the freight accounts. I can answer that question. The bridge tolls collected from the Hannibal Bridge we credit to Income Account, an account we keep on our books for the operation of the Hannibal Bridge. We keep the income and expenses of the Hannibal Bridge separate and carry the income or deficit to this account.

Q. That does not come into these figures which you have rendered here, at all?

A. No sir.

5416 Q. What does it amount to in a year?

A. I haven't the figures at hand. I don't know.

Q. Do you pay the taxes on the Hannibal Bridge to Missouri, any part of it?

A. Yes sir.

Q. And those taxes are included here in this statement of operating expenses?

A. No sir.

Q. They are not?

A. No sir, I think not. I don't think we include them.

Q. If you are not certain about that, will you please ascertain definitely?

A. My impression is, we put them in as a matter of record, and then take them out again.

Q. Will you ascertain whether any taxes on the Hannibal Bridge are included in the items of taxes given here on this Statement?

A. Yes sir.

Q. On freight business between Hannibal and points east of the Mississippi River, do you allow to Missouri any part of the earnings?

A. That is a detail which is kept in the Auditor of Freight Account's office, and he will have to answer that.

Q. You cannot answer that?

A. I cannot answer that question.

Q. You cannot tell whether any part of the earnings which you

received for the transportation of freight from Hannibal to points east of the Mississippi River are embraced in your freight
5417 earnings as shown in these statements?

A. No sir; those will appear on the statements of the Auditor of Freight Accounts, and he is familiar with the details of that.

Q. I will ask you if all of the expenses at Hannibal are not charged to the Missouri part of the System.

A. Hannibal is in Missouri, and I should answer off-hand, yes sir.

Q. Have you some track from your station at Hannibal to the river, and how long a track is that?

A. I am not familiar with the conditions at Hannibal.

Q. You don't know that?

A. No sir.

Q. If it is a fact that the expense of maintaining these properties, your terminal facilities at Hannibal, and maintaining track from your station until it reaches the river, are charged as a part of your operating expenses in Missouri, it would be fair that a part of the tolls of the Hannibal bridge should go into your Missouri earnings?

A. I am not prepared to answer that question.

Q. What else did you collect, if anything, for the use of your property in Missouri for the calendar years 1904 and 1905?

A. I will have to look it up.

Q. I would like to know also whether any part of those rents appear in the statements you have rendered here of receipts?

A. Very well.

5418 Q. What was the average per mile of your charge in the statement of maintenance of equipment for the year 1904, in Missouri?

A. $1248.77 per mile.

Q. And how much for 1905?

A. $1344.35 per mile.

Q. How much for the fiscal year ending June 30, 1906?

A. $1176.70 per mile.

Q. What was the average per mile for maintenance of way and structures in Missouri for the fiscal year ending June 30, 1906, as shown by your records?

A. $1168.84.

Q. Were any charges made to operating expenses in Missouri for the purpose of creating a fund with which to purchase a new equipment at a date later than December 31, 1905, to be used at a date later than December 31, 1905?

A. We make charges for that purpose, for the purpose of replacing equipment, right straight along.

Q. How much did you charge to operating expenses in 1905, for the purpose of creating such a fund, which was not spent in 1905?

A. I have the figures here for June 30, 1905 and June 30, 1906. I want to say in explanation, that there are a great many of these figures we cannot furnish you, for this reason: Our fiscal year ends June 30th. All of the Inter-State Commerce Commission's fiscal years end June 30th. All our reports and all our data are based

upon those years. Now these reports or statements for Mis-
5419 souri were based upon the straight calendar years 1904 and 1905. Therefore, the figures are not the same. You see the point.

Q. Yes.

A. For that reason I cannot answer those questions offhand. If you ask me that question for June 30th of any year, I have the data right here. But you asked me for the calendar year, and I will have to take the records in the office, and figure it out for the first six months of one year, and the last six months of another year, and bring the figures here.

Q. It is for Missouri I am asking now.

A. That is still a matter of detail that will have to be worked up.

Q. Would that take very long?

A. I think not, no sir.

Q. Then will you please make a memorandum of it?

A. Give me the question again.

Q. Were any charges made to your operating expenses in Missouri, either in 1904 or 1905, the calendar years, for the purpose of creating a fund to purchase new equipment, which fund, or some part thereof, had not been used on the 31st of December, 1905?

A. You have given me some questions to answer, and statements to compile, which it will take about a month to get up.

The MASTER: I cannot feel that it would be proper for me to require the witness to furnish statements covering a period beyond the two years agreed upon.

At this point, the further hearing of testimony was
5420 adjourned until tomorrow.

ST. LOUIS, MISSOURI, *November* 23, 1906.

Met pursuant to adjournment as above, in the Federal Building, St. Louis, on Friday, November 23rd, 1906.

Present parties as before.

The following proceedings were had:

RICHARD E. BERGER, a witness of lawful age, being duly produced, sworn and examined, on behalf of the Complainant, testified as follows: to-wit:

Direct examination.

By Mr. MINNIS:

Q. State your name and residence.

A. Richard E. Berger, St. Louis, Mo.

Q. What position do you occupy with the Wabash Railroad Company?

A. Auditor of Freight Accounts.

Q. How long have you been Auditor of Freight Accounts for that Company?

A. Two years.

Q. What position did you hold prior to that time?

A. I had the title of Freight Accountant for three years prior to that time. I have been with the Company since 1883, as clerk, Assistant Chief Clerk and Chief Clerk.

Q. Were your duties the same for the three years preceding the time you were made Auditor of Freight Accounts?

A. Yes sir.

Q. What were your duties before that?

5421 A. I was Chief Clerk of Freight Accounts, and performed the same duties for ten or twelve years, although I transacted the business over the name of the Auditor instead of my own name.

Q. That was the only difference?

A. That was the only difference.

Q. Where are the impression copies of the way bills sent by the agents who make them?

A. The agent sends a copy to me and it is filed in my office.

Q. About how many way bills a month are filed in your office?

A. 300,000, approximately.

Q. A month?

A. Yes sir.

Q. In what form do you keep the way bills, Mr. Berger?

A. They are bound in book form.

Q. Tell us the system of keeping a check on agents, in your business. You say the agent, at the point of origin of shipment, sends you an impression copy of the way bills issued by him; now what report, if any, do you receive from the agent at the destination of shipment.

A. I receive what is called a monthly abstract, showing the totals of each way bill, and the total of business received at each station, separately.

Q. What does that abstract of way bills show, that is sent to you by the agent at destination of the shipment?

A. It shows the total of the freight and the charges.

Q. On the way bills?

5422 A. Yes sir. The freight earnings, I had better say, rather than charges.

Q. Does it show the point of origin of shipment?

A. It does not show the point of origin of the shipment, but it shows the point that the way bill reads from.

Q. It shows the point where the way bill indicates the shipment was made from, or does the way bill always indicate what point the shipment was made from?

A. The way bill does but the report does not always. To illustrate, a way bill from St. Louis to Kansas City, might cover freight that originated in St. Louis and was destined to Kansas City. On the other hand, it might indicate a shipment that originated beyond St. Louis and was re-billed at St. Louis for Kansas City; or a shipment destined beyond Kansas City. So this report would read St. Louis to Kansas City, while it would not necessarily originate in St. Louis or be destined to Kansas City.

Q. It might go beyond Kansas City?

A. Yes sir.

Q. And it might originate beyond St. Louis?

A. Yes sir.

Q. You are speaking of the abstract made by the agent at destination of shipments that he reports?

A. Yes sir, I am stating that the abstract would not show the point of origin or the point of destination of a shipment, necessarily.

Q. It would be just an abstract telling just what the way bill indicated and the amount of freight on the shipment?

5423 A. Yes sir.

Q. How often do you say those are remitted to you?

A. They come at the close of each month.

Q. For instance, a shipment that would have its origin in Buffalo and come to St. Louis, a new way-bill might be made, for the transit between here and Kansas City, if it were destined to Kansas City?

A. Yes sir.

Q. Now the report that you would get from the Kansas City agent would simply indicate that the shipment was received, the way-bill reading from St. Louis to Kansas City, and showing the amount of freight on the shipment?

A. It would show the amount of freight from St. Louis to Kansas City, and such a shipment being rebilled at St. Louis.

Q. So those reports would not indicate the origin of the shipment, whether State or Inter-state?

A. No sir.

Q. Mr. Berger, referring to item 1, on Exhibit 2, the total revenue received on intra-state business, on the commodities mentioned in the Act of 1905, I will ask you if you were requested to, at any time, prepare figures showing the intra-state business on the commodities mentioned in the Act of 1905?

A. I was.

Q. For the period of 1904 and 1905?

A. Yes sir.

Q. When were you asked to do that?

A. I was asked to prepare a statement for 1904, I can not say exactly when I was asked for that statement first, but that has

5424 probably been a year ago. The statement for 1905, I was asked to prepare, I think, along in April or May of this year.

Q. That request was made in connection with this suit?

A. Yes sir.

Q. And what was the former request made in connection with? What was the object of getting the figures for 1904?

A. I think it was in connection with this same suit.

Q. You are now speaking merely of Item 1 of Exhibit 2: Did you prepare or was there prepared under your direction the whole of this Exhibit 2?

A. No sir.

Mr. MINNIS:

Q. At the time you were requested to get up the figures for 1905,

I will ask you if you were told that it would be necessary to have the figures by a certain date.

A. I was. I was given a specific date to prepare them for.

Q. That date referred to the time counsel for the railroad were to deliver statement to the counsel for the State in this case, did it?

A. Yes sir.

Q. Item 1 referred to, indicates that the company received from the intra-state business on the commodi-es mentioned in the Act of 1905, $133,793.02, and the amount of $163,019.83 in the year 1905; I will ask you how you arrived at those figures, how you compiled those figures.

5425 A. the statement of intra-state earnings was made up in detail from the way-bills.

Q. How did you do that? What was the manner and method?

A. Well, sir, we took from our files all of the books of way-bill impressions. We set a force of men at work who ran over them one by one, through the thousands of way-bills. I should say for the year of 1904 they would run in the neighborhood of two hundred and fifty thousand a month, which made about three million way-bills to look over.

Q. For the two years?

A. No sir, for the one year.

Q. You did that for each year?

A. Yes sir.

Q. Those impression way-bills were the way-bills forwarded to your office by the agent at the point of origin of the shipment, were they?

A. By the agent that issued the way-bills. As I have explained before, the way-bill does not always indicate, or, rather, the way-bill is not always issued by point of origin of the shipment, because the freight is frequently re-billed anew. But those way-bills were forwarded to me by the agents who issued the way-bill.

Q. Did those way-bills contain intra-state shipments as well as inter-state shipments?

A. Yes sir.

Q. Then these figures were compiled from the way-bills?

A. They were.

5426 Q. How did you get at the figures given here on Exhibit 2? In other words, how did you separate the intra-state earnings from the inter-state earnings?

A. As I said before, from the way-bills themselves, we get a detail of all intra-state earnings for Missouri.

Q. Just a moment on that: I understood that these way-bills do not indicate the origin of the shipments, necessarily.

A. The way-bills themselves will, but I said that the reports I receive do not indicate the point of origin.

Q. But the way-bills do?

A. Yes sir, the way-bills do.

Q. Proceed with your answer.

A. I drew from its way-bills a detail of all the intra-state freight earnings in which Missouri was interested. Then to get at the inter-

tate earnings we drew from our records in the office the total earnings on all freight traffic that either had destination, origin or passed through the State of Missouri; in other words, we drew off from our records compiled from the monthly reports the total earnings in which the State of Missouri might in any way be interested.

Q. Intra-state or inter-state?

A. Yes sir.

Q. What are those records?

A. Those are our statistical sheets, that show the full amount of traffic from every station on the road to every other station on the road, for each month.

Q. Is that an accurate statement?

5427 A. Yes sir. Having ascertained what the total earnings were in which the State of Missouri was interested and having ascertained what the intra-state earnings were from the waybills themselves, I deducted the intra-state earnings from the total earnings and the difference was the inter-state earnings.

Q. In that way you arrived at the result shown in Item 1 of Exhibit 2?

A. Yes sir. I might add that I not only arrived at the figures shown in Item 1 of Exhibit 2, which consists of the intra-state earnings, but I also arrived at the total of the inter-state earnings of Missouri.

Q. In arriving at the figures shown in Item 1 of Exhibit 2, I will ask you if you compiled the figures shown in item 1 of Exhibit 2?

A. No sir, I did not. They were compiled by the Auditor.

Q. I speak with reference to the detail. You said you ascertained the intra-state earnings and the inter-state earnings, in which Missouri was interested.

A. Yes sir.

Q. You ascertained those figures?

A. Yes sir.

Q. According to Item 1 of Exhibit 4, you found that the intra-state earnings for the year of 1904, were $688,242.18 and that the inter-state earnings for the same period were $1,780,681.38: Is that true?

A. I compiled the freight earnings for the period, and

5428 I made a separate compilation of the period, and the Auditor put those figures together, so that the figures you have mentioned in Item 1 of Exhibit 4, are not the figures I can say I prepared, although I gave the basis on which he put them together.

Q. You gave him the detail of it?

A. Yes sir.

Q. At any rate, you found the total amount of earnings from inter-state and intra-state for the years 1904 and 1905, and you furnished them to the Auditor, who made certain deductions, or additions, as the case might be, in compiling the figures shown in Item 1 of Exhibit 4.

A. Yes sir.

Q. In arriving at the inter-state earnings allowable to Missouri, what method did you adopt?

A. Do you mean how I got at the totals, or what basis of division was used?

Q. You have told us how you got at the division of the totals between the two. You first got the intra-state revenue from the way-bills themselves. Those were the actual figures, were they not?

A. Yes sir.

5429 Q. Inter-state business, in which Missouri was interested, a part of the earnings belong outside of Missouri, and a part inside of Missouri: How do you separate the part that should be apportioned to Missouri from the part that should be apportioned to other States: What basis do you use in making the division of inter-state revenue between Missouri and other States?

A. In apportioning the earnings of freight traffic passing between stations west of the Mississippi River, we used as a general mileage basis of sub-division, except where it has been our established custom to use traffic per cents, applying to certain divisions of the road. In dividing the earnings on freight traffic way-billed through between stations east and stations west of the Mississippi River, we first allowed the lines west of the Mississippi River approximately what would be equivalent to their tariff rates, except where certain traffic divisions had been given us to use, between certain groups of territory. After we had made the allowance to the lines west, we subdivided the proportion west on the basis outlined in the first part of this answer, that is, mileage, subject to certain traffic per cents.

Q. You say west of the River, you used a basis for dividing the intra-state earnings, road mileage, with certain exceptions?

A. Yes sir.

Q. In order that we may know in just what instances road mileage was used, and in what instances percentages were

5430 used, I will ask you to state in what instances percentages were used.

A. Percentages were used in connection with business exchanged with the Omaha division, which is a line extending from Pattonsburg, Missouri, to Council Bluffs, Iowa; in connection with the Des Moines division, which is a line extending from Moulton, Iowa to Des Moines, Iowa; in connection with the Excelsior Springs Branch, which is a line extending from Excelsior Springs Junction to the Milwaukee Junction.

Q. The Milwaukee Junction is the terminus of the Excelsior Springs Branch?

A. Yes sir.

Q. How did you divide the inter-state business that was partly handled by the Excelsior Springs Branch, what percentage did you give to the Excelsior Springs Branch?

A. I can probably better answer that question by giving you exactly the percentage groups as I have them before me here.

Q. Very well.

A. I will explain that there are certain groups of territory between which certain per cents have been fixed to apply in the proportion of these earnings.

Q. What are those territories called?

A. I believe a traffic man would call them zones.
Q. They may be called traffic groups?
A. Yes sir, that would be a very good statement of it.
Q. That is, a group of stations where a certain percentage is applied?
5431 A. Yes, sir, between a certain group of stations.

Mr. LADD:

Q. If I understand you now, Mr. Berger, you are referring to freight originating and terminating at points west of the Mississippi River.
A. Yes sir.
Q. How did you apply it?
A. In dividing the revenue between stations in Iowa and stations on the Excelsior Springs Branch, we allowed the Excelsior Springs Branch 25%, and all other lines 75%. We would then divide the 75% according to the mileage in Missouri and the mileage in Iowa. After allowing the Des Moines Division the fixed percentage which we had in effect in making our division to and from the Des Moines Division.
Q. The Excelsior Springs Branch, however, would get 25% of the total revenue from the shipment, say from Des Moines to Excelsior Springs?
A. Yes sir.
Q. What is the mileage of the Excelsior Springs Branch?
A. 9.6.
Q. And the mileage from Des Moines to the Excelsior Springs Junction?
A. About 293 miles from Des Moines to Excelsior Springs Junction.
Q. Excelsior Springs Junction is the point of connection between the Excelsior Springs Branch and the main line of the Wabash Railroad, isn't it?
A. Yes sir.
5432 Q. Why do you keep the earnings of the Excelsior Springs Branch separate from the other part of the system?
A. I believe that it is operated under a separate mortgage and it is desired to see what the branch earns.
Q. What percentage of earnings was in vogue before the Wabash Railroad acquired the Excelsior Springs Branch?
A. This same percentage.
Q. The same percentage applied?
A. Yes sir.
Q. And you have simply continued to use the percentage that was adopted by independent companies before the Wabash Railroad acquired the Excelsior Springs Branch?
A. That is right.
Q. A division of inter-state earnings on that percentage between the other lines that carry inter-state shipments to Excelsior Springs, gives the State of Missouri a larger share of the earnings, than if the same earnings were apportioned on a mileage basis?

A. Yes sir, I should think it would. It would depend entirely upon how the arbitrary allowed to the Des Moines Division would operate as an off-set.

The MASTER:

Q. Does that rule apply to freight coming over the Des Moines Division, or to freight coming from any other point west of the Mississippi River?

A. It would only apply to traffic between these three divisions, Omaha, Des Moines and Excelsior Springs.

Q. And not to freight originating anywhere west of the Mississippi River out of the State of Missouri?

5433 A. There is no other freight originating out of the State of Missouri except what is covered by these three branches. I am speaking now entirely of business exchanged between stations west of the Mississippi River.

Q. Suppose you received a shipment from a point in Kansas by way of Excelsior Springs, what percentage would be used in a division of those earnings?

A. I believe 50 and 50. Business from Kansas City to Excelsior Springs Branch would divide 50% to the Branch and 50% to the other lines, but as the entire haul would be in the State of Missouri, this would all go to the State of Missouri.

Q. That is true because Kansas City is the terminus of the Wabash and that would be the first point at which you could take the shipment?

A. Yes sir.

Q. What percentages did you give Excelsior Springs on interstate business originating east of the Mississippi River?

A. It depended entirely from what point east of the Mississippi River the freight came. We divided the earnings at the river first, apportioned to the lines west approximately what they would get at local tariff rates. Then we would take the proportion at Hannibal or St. Louis, which are Mississippi River crossings, and allow Excelsior Springs 25 per cent of that proportion and the other lines in Missouri 75 per cent. I can illustrate that by an example, if you allow me.

5434 Q. As I understand, you divide earnings east of the river, and it would be unimportant, so far as this case is concerned, how you divided the revenue west of the river between the main line and the Excelsior Springs branch?

A. It would be because they are both in the State of Missouri.

The MASTER:

Q. But on freight coming from points east of the Mississippi River you would allow to the freight coming to points of destination in Missouri, the full local rates for Missouri, and give to the roads east of the Mississippi River the remaining portion of the earnings?

A. I said we allow them approximately their tariff rates west of the Mississippi River: On the lines east of the river approximately

their tariff rates. I think I can illustrate by an example here, so it will be better understood.

Mr. MINNIS:

Q. I would rather dispose of west of the river first and then take that up.

What percentage did you allow on the Omaha branch extending from Pattonsburg to Omaha, of the interstate earnings derived from business originating west of the Mississippi River?

A. The through stations on the Des Moines division, Moulton to Des Moines inclusive, and stations on the Omaha division, McFall, Missouri, to Council Bluffs, Iowa, inclusive, we allowed the Omaha division 35 per cent, the Des Moines division 30 per cent, and the main lines in Missouri 35 per cent. This allowance to
5435 the Omaha division was then divided according to mileage in each State, and each State credited with its proportion of the Omaha allowance.

I wish to state here that the Omaha division consists of 78 miles in the State of Missouri and 66 miles in the State of Iowa.

Mr. LADD:

Q. May I ask a question here? On the map contained in your folder, Mr. Berger, I see a line which I suppose is yours, running from Brunswick on your main line, north to Omaha through Pattonsburg?

A. Yes sir, that is right.

Q. You speak of a division from Pattonsburg to Omaha?

A. Yes sir.

Q. Is that a different road? Is that a branch by itself?

A. That is called the Omaha division and it is operated under a separate mortgage.

Q. From Omaha down as far as Pattonsburg?

A. Yes sir.

Q. Although it is a part of your line; Omaha to Brunswick?

A. It is a continuation of that line. It was operated independently for years, as the Omaha and St. Louis Railroad, and we took it over into our system.

Q. It is the result of some old situation, I suppose. In other words, the road from Pattonsburg to Omaha was formerly an independent road, is that it?

A. Yes sir, that was it.

5436 Mr. MINNIS:

Q. The Wabash bought that road in 1901, didn't it?

A. I don't know the date.

Q. That division is operated under a separate mortgage?

A. I believe so, yes.

Q. Now, you say the percentage allowed to the division between Omaha and Pattonsburg was divided between Missouri and Iowa on a road mileage basis?

A. Yes sir.

Q. But with respect to the Des Moines division, what percentage of interstate revenue was allowed to that division?

A. There is rather a lot of that. Shall I read this into the record? There are quite a good many groups.

Q. Before you do that I will ask you if the percentage allowed the division between Pattonsburg and Omaha is the same that was allowed when that division was owned by a separate company?

A. The same divisions have been continued in effect.

Q. You may state the percentage allowed to the Des Moines division?

A. We have a group per cent applying between St. Louis and stations on the Des Moines division, allowing Des Moines division 40 per cent and other lines 60 per cent.

Q. What stations are those?

A. That is between St. Louis and points on the Des Moines division from Moulton to Des Moines, inclusive.

Mr. LADD:

Q. Where is Moulton?

A. In Iowa.

5437 Q. The Des Moines division is part of a line from Moberly up to Des Moines?

A. It is a continuation of that line, yes sir.

Q. What you call the Des Moines division runs from Moulton up to Des Moines: Is that right?

A. Yes sir.

Q. Moulton is in what State?

A. Iowa.

Mr. MINNIS: About how far from the State line?

A. It is between Moulton and Coalesville, and the distance between those two stations is eight miles. It is a few miles from the line, I should say.

Mr. LADD:

Q. That situation as it affects the Des Moines division is somewhat similar to the one you speak of as to the Pattonsburg division, isn't it?

A. Somewhat similar, except——

Q. In other words, the line from Moulton to Des Moines was formerly an independent line?

A. No sir, I believe not. While it is operated under a separate mortgage, I do not think it was operated at any time as an independent line. Not to my knowledge.

Mr. MINNIS:

Q. What was that division?

A. The division on business passing between St. Louis, Missouri, and stations on the Des Moines division, allowed the Des Moines division 40 per cent and other lines 60 per cent. That did not include Albia, Iowa. The divisions between St. Louis, Missouri, and

Albia, Iowa, were, Des Moines division 25 per cent; other lines 75 per cent.

5438 Q. Would there be any business that Missouri would be interested in, that would pass between Albia and Des Moines. I do not understand how you make a division between Iowa points in arriving at the earnings to be apportioned to Missouri?

A. I do not quite understand your question.

Q. You say there is a percentage basis for a division between Albia and certain points?

A. Yes sir.

Q. Is not Albia on the line between Moulton and Des Moines?

A. It is. But it is a very common practice for traffic departments to pick out any station, for any reason they may think proper, and arrive at a different basis of percentage than they would otherwise. For example, there is a heavy interchange of traffic between the Wabash and the Iowa Central Railway, at Albia. And a different percentage is used for a division of that traffic than would apply to the balance of the Des Moines division.

Q. Go ahead now and state about Albia.

A. I believe I have answered that.

The MASTER:

Q. Do you adopt, in an instance of that sort, the same basis of division among your own lines that you make in the instance you referred to on the Iowa Central of Iowa?

A. No sir. After we make these percentage allowances to these lines and branches I have spoken of, we then divide on a mileage pro rate. A mileage pro rate is the general basis of division

5439 between our own lines and branches.

Mr. MINNIS:

Q. That is, you apportion the revenue on a mileage pro rate basis?

A. Yes sir.

The MASTER:

Q. I understood you made a special division of rates between the Des Moines division and Albia, and that was by reason of the large amount of foreign freight coming into Albia?

A. Yes sir.

Q. The question was, whether between Albia and your own road, you apportioned the revenue in the same manner as you did between your own roads?

A. Yes sir, exactly. In other words, whatever earnings are realized between Albia and St. Louis, whether on freight originating at Albia or destined to Albia, or going beyond, or coming from beyond Albia, is divided on this 75 and 25 per cent basis.

Mr. MINNIS: How long have these percentages been in vogue with the Company?

A. The Des Moines divisions percentages?

Q. Yes, and the Albia?

A. They have been in effect since January 1, 1903.

Q. Have you covered the instances in which you apportioned interstate revenue arising west of the river?

A. I have not given you a full outline of the groups. The territory west of the river is divided into quite a number of groups. There is a group from Renick, Missouri, to Rosedale, Missouri, in connection with the Des Moines division. And there is a
5440 group between Hannibal, Missouri, and the Des Moines division.

Q. Give us the percent.

A. If you want those percents I would better read the entire matter into the record.

Q. I think so.

A. Between the stations Renick, Missouri, to Rosedale, Missouri, inclusive, and stations on the Des Moines division, we allow the Des Moines division 50 per cent; other lines 50 per cent.

Between Hannibal, Missouri, and stations on the Des Moines division, we allow the Des Moines division 45 per cent, other lines 55 per cent. Between Kansas City, Missouri, and stations on the Des Moines division we allow the Des Moines division 40 per cent and other lines 60 per cent. Between the stations Huntsville and Randolph, inclusive, and the Des Moines division, we allow the Des Moines division 50 per cent and the other lines 50 per cent.

Between stations Brunswick and Pattonsburg, and stations on the Des Moines division we allow the Des Moines division 30 per cent, other lines 70 per cent.

Between stations on the Omaha division and the Des Moines division we allow the Des Moines division 30 per cent and the Omaha division 35 per cent, and other lines 35 per cent.

Between the stations Moberly, Missouri, and Ottumwa, Iowa, inclusive, and stations on the Des Moines division we allow the Des Moines division 70 per cent and other lines 30 per cent.

5441 That comprises all the groups of percentages used.

Q. What is the length of the Des Moines division?

A. 96.7 miles.

Q. And it extends between what points?

A. Moulton to Des Moines, Iowa.

Q. How long have the percentages referred to by you been used by the company in making the division between other parts of the system and the Des Moines division?

A. Since January 1, 1903.

Q. Who prescribes the percentage of division, what department

A. Ordinarily, the traffic department. These per cents, however, were not furnished by the traffic department. They were furnished me by the old Auditor of the Wabash.

Q. Mr. Howard?

A. Yes sir.

Q. When were they furnished you?

A. I have his original memorandum here that reads "Effective January 1, 1903," and I presume I got them just about that time.

Q. In what way did you divide the interstate earnings derived from shipments passing over the Mississippi river?

A. I want to state, generally, that the territories east were divided into what have been termed traffic groups, and the territories west of the river divided into traffic groups, and certain percentages were furnished for business interchanged between those groups.

Now, if you wish me to read those groups, I will do so.

5442 Q. Take up the first group that you have on your memorandum.

A. Between the stations Buffalo, N. Y., to Windsor, Ontario, inclusive, east of the river, and the stations Cairo, Missouri, and west thereof, we allowed the lines east of the river 48 per cent, and the lines west of the river 52 per cent.

Q. What was the mileage east of the river between the nearest points of the group?

A. Taking terminal points, say, Buffalo and Kansas City, the mileage from Buffalo to Hannibal is 746 miles, east of the river. West of the river from Hannibal to Kansas City the mileage is 199 miles.

Q. How does that division compare with the traffic east and west of the river?

A. That division compares exactly with the local tariff rates on first class freight.

Q. East and west of the river?

A. Yes sir. The first class rate east of the river is 55½ cents per hundred. West of the river it is 60 cents per hundred. The total is $1.15½ per hundred, so that each local rate bears the same percentage that we are using in our accounting.

Q. Is there anything you desire to say further on that item?

A. Only to say that that percentage was adopted for expediency in handling the accounts, rather than having to divide all the business on the actual rates themselves. It was intended to ap-

5443 proximately give the lines east their locals and the lines west their locals, at least on the basis of the locals.

I might go further and say that a pro-rate of the second class rates would show these results: The lines east 52 per cent, and the lines west only 48 per cent. Yet in our general basis we allow the lines west 52 per cent.

Q. What do you mean by "general basis"?

A. I mean the basis we use here in the accounts.

Q. You allow them 52 per cent all the way through?

A. Yes sir, regardless of the class of freight. On third class freight the percentages would bear these relations to each other: The lines east 51 per cent and the lines west 49 per cent.

Q. That is on the tariff basis?

A. Yes sir. Well, the general percentage allows them 52 per cent.

Q. On this report you prepared?

A. Yes sir. On fourth class freight the relation of the rates would be 49 per cent for lines east of the river, and 51 per cent for lines west of the river.

On fifth class freight it would be lines east of the river 51 per cent, and lines west of the river 49 per cent.

I have not gone any further in these calculations.

The MASTER:

Q. In all those cases, the lines west of the river would receive in the division a sum largely in excess of the sum they would receive if divided on a road mileage basis, wouldn't they?

A. I would not say "largely in excess," but something
5444 in excess. The idea I want to convey is this: If your statement be correct, if we received exactly the same amount of revenue for each class of freight, but the revenues vary. I cannot say what moves under one class and what under the other. It was the intention in the percents to allow approximately what the lines west of the river would get out of their tariff on a pro rate basis.

Mr. MINNIS:

Q. The Master's question was, if you had applied the road mileage basis, Missouri's proportion would be much less?

A. I did not understand the question.

The Master's question is here read to the witness.

A. Very largely. I will illustrate. On business from Buffalo to Kansas City, on the basis we use, we allow the lines west 52 per cent. On a road mileage basis they would get 21 per cent. So they would get over two and one half times as much as they would get on a road mileage basis.

Mr. MINNIS:

Q. Take the next item you have on your memorandum.

A. Between the stations Chicago, Illinois, to Effingham Illinois, and Altamont, inclusive, Lafayette, Indiana, to Riverton, Illinois, inclusive. Knights, Illinois, to Willeys, inclusive, on the east side of the Mississippi river; and Kansas City, Missouri, to Excelsior Springs, Missouri, Excelsior Springs Junction to Mexico, Missouri, inclusive. Pattonsburg, Missouri, to Brunswick, Missouri, Cairo, Missouri, to Des Moines and Ottumwa, Iowa, inclusive, West of the
Mississippi river; we allow the lines east of the river 50 per
5445 cent, and the lines west of the river 50 per cent.

Q. How long have you applied that per cent in dividing the earnings?

A. We have applied that since 1887, at the time the Wabash Railroad was divided at the Mississippi River, under the McNulty Receivership.

Q. Were the lines east and west of the river operated under separate management?

A. Entirely so.

Q. And this was the percentage of division agreed upon by the two lines, when under separate control?

A. Yes sir, it was the agreement of the two traffic departments.

Q. Have you data from which you could tell us how that percentage compares with the tariff division, or division allowing to each side of the river its tariff?

A. Taking the two terminal points in the group, Chicago on the east and Kansas City on the west, the distance from Chicago to

Hannibal is 312 miles; from Hannibal to Kansas City 199 miles; total distance 512 miles. The local rate from Chicago to Hannibal is 47 cents; from Hannibal to Kansas City is 60 cents; through rate is $1.07. On a road mileage basis the lines east of the river would receive 61 per cent; the lines west of the river would receive 39 per cent. On a local road basis the lines east of the river would receive 44 per cent; the lines west of the river would receive 56 per cent.

On the basis we use, we allow 50 per cent to each side of the river.

5446 Q. And that is in accordance with the traffic arrangement made at the time when the two divisions were under separate control?

A. Yes sir.

Q. Is that all you have to say about that?

A. That is all, except to say that in this comparison it will be seen that under a road mileage, we would allow the lines west 39 per cent, while we did actually allow them 50 per cent, a margin of 11 per cent to the good for the lines west.

But as to the reasons why these particular percents were put into effect when the two roads were independent, that is purely a traffic question, and I do not know what considerations entered into that arrangement.

Q. Take the next group.

A. Between the stations Taylorville, Illinois, to Mitchell, Illinois, inclusive. The stations Kansas City, Missouri, to Excelsior Springs, Missouri. Excelsior Springs Junction, Missouri, to Mexico, Missouri, inclusive. Pattonsburg, Missouri, to Brunswick, Missouri. Cairo, Missouri, to Des Moines and Ottumwa, Iowa, inclusive. We allowed the lines east of the river 35 per cent and the lines west of the river 65 per cent. I have not compiled any comparison of these percentages.

The MASTER:

Q. In any of these instances, have you estimated what the division would have been if made upon a train mileage basis?

A. Train mileage?

Q. Yes.

A. No sir.

5447 Mr. MINNIS:

Q. It could be figured out on that basis?

A. I never knew of earnings between lines and branches being figured out on a train mileage basis. It may have been done, but I don't know of it. I would hardly consider that practical.

Q. You say you have not compared the division last referred to with the division that would result by applying the local tariffs?

A. No sir. I only prepare a limited number of these examples. A comparison could readily be gotten at.

Q. Take the next group, Mr. Berger.

A. Between Springfield, Illinois, and all stations west thereof,

east of the Mississippi River. Stations Mexico, Missouri, and west thereof, we allowed the lines east of the river 40 per cent and the lines west of the river 60 per cent.

Q. You have been saying you "allowed" in making that division; Do you refer to the papers in this case?

A. To the papers in this case and to the basis we used right along in our accounts and have been using.

Q. And that is true of the last item?

A. Yes sir.

Q. In other words, the division spoken of in the last two items is the division you used in getting at the results shown on the exhibits in this case.

A. Yes sir.

Q. That was not true of the former items: I understand
5448 you made a division in that of 50 and 50, between Kansas City and Chicago?

A. We used that also in this case.

In other words, in preparing the division of freight earnings in this case we have used exactly the basis we are using right along in our accounts.

Q. Take up the next item.

A. Do you want me to illustrate?

Q. What group are we speaking of now?

A. Springfield east to Mexico, Missouri, and the stations west thereof.

Q. How does that percentage compare with the percentage of the local rates, east and west of the Mississippi river?

A. It is in exact accord with the first class local rates from Springfield to Hannibal, as compared with Hannibal to Kansas City. The local rate from Springfield to Hannibal is 39.48 per hundred; Hannibal to Kansas City is 60 cents per hundred; so that the rate east of the river is 40 per cent of the through rate, and the rate west of the river is 60 per cent of the through rate. And that is the percent we use.

Q. Take up another group.

A. This group I am about to give applies west bound only:

From stations Toledo, Ohio, to Buck Creek, Indiana; Mt. Clover, Ohio, to West Unity, Ohio; Detroit, Michigan, to Thurman, Indiana, inclusive. (These being stations east of the river.) And stations Brunswick, Missouri, to South Omaha, Nebraska; Excelsior
Springs, Missouri, and Kansas City, Missouri. Cairo, Mis-
5449 souri, to Des Moines, Iowa, and Ottumwa, Iowa, inclusive. (These being stations west of the river.) We allow the lines east of the river 43 per cent and the lines west of the river 57 per cent.

These are traffic percents that were agreed to under the McNulty Receivership, but I have compared them with the local rates, and I find they are exactly in accord with the first class rates east and west of the river. The first class rate from Toledo to Hannibal is 45 cents; from Hannibal to Kansas City is 60 cents. The rate east

of the river is 43 per cent of the through rate. The rate west of the river is 57 per cent of the through rate.

Those are the per cents we have used in this case.

Q. Take the next group.

A. The next group applies east bound only. From stations Kansas City, Missouri, to Excelsior Springs, Missouri. Excelsior Springs Junction, Missouri, to Mexico, Missouri, inclusive. South Omaha, Nebraska, to Brunswick, Missouri. Cairo, Missouri, to Des Moines, Iowa, and Ottumwa, Iowa, inclusive. (These being stations west of the river.) And Toledo, Ohio, to Bucks Creek, Indiana. Mt. Clover, Ohio, to West Unity, Ohio. Detroit, Michigan, to Thurman, Indiana, inclusive. (These being stations east of the river.)

We allowed the lines east of the river 55 per cent and the lines west of the river 45 per cent.

I have not made any examples in connection with that group, but I will say that those are traffic percentages that were arrived at under the McNulty Receivership.

5450 Q. And have been in vogue ever since?

A. Yes sir.

Q. That is true of those other groups you have just mentioned?

A. With the exception of the Buffalo group, which is based on locals. The Buffalo branch came into our road after the McNulty Receivership was over, and we arrived at the percentage by putting it on a par with a similar territory.

Q. Take the next group.

A. That is all. Those are all the groups that are used in dividing the revenues on traffic passing between stations east and west of the Mississippi river. And these percentages are used entirely on freight that is waybilled through from points east of the river to points west. Or from points west to points east of the river. The great bulk of the traffic that the Wabash received from eastern seaports, in fact from all points east of the Indiana State line, is carried on a combination of local rates. In other words, a shipment from New York to Kansas City would, under the regular rules, be waybilled from New York to Hannibal, at the rates applying from New York to Hannibal. We would then rebill the freight from Hannibal to Kansas City, at the rates applying from Hannibal to Kansas City. And on all such traffic the lines west of the river secure their absolute tariff rates. These percentages have nothing to do with that business. That is greater in volume than the business which is waybilled through.

Q. The business which is rebilled at the Mississippi river is greater in volume than that which is billed through?

5451 A. Yes sir. The use of these percents is confined entirely to business waybilled through from points east of the river to points west of the river.

Q. Take, for instance, the illustration used by Mr. Ladd in the question to Mr. Tobin; about a shipment originating in Cincinnati and destined to Topeka, Kansas: How would that shipment be billed?

A. It would be turned over to us at St. Louis by the Baltimore, Ohio & Southwestern Railroad, and we would rebill it from St. Louis to Topeka.

Q. Issue a new waybill?

A. Yes sir, issue a new waybill.

Q. You used the percentages and methods you have testified to in arriving at the proper proportion of inter-state revenue allowable to the State of Missouri, have you, in making these figures, upon which item 1 of Exhibit 4 was compiled?

A. Yes sir.

Q. That is the item which purports to give the inter-state revenue for Missouri?

A. Yes sir, that is as I understand it.

Q. I will ask you whether these figures are accurate?

A. They were intended to be.

Q. The compiling of them involved going over a great many waybills and items, didn't it?

A. It did, and I was given about 40 days to do work I should have had six months to do. I was obliged to send out on the street and hire extra men, who did not know anything about our system. I worked my own men at night and on Sundays in order
5452 to meet the date which had been absolutely fixed for the meeting. And when you consider that the men were obliged to work under these disadvantages, and handle probably three million waybills a year, and with a great many more millions of items in those waybills to consider, I wish to say that the statement requires no apology. It was intended to be gotten up in good faith, and is as accurate as any statement of that sort could be expected to be, under such conditions.

Q. It was your purpose to make a correct and clear statement?

A. Those were my instructions, and we worked at it in a spirit of fairness all the way through to get accurate results.

Q. After you completed the statements, did the expert representing the defendants come to your office and ask to examine the papers there?

A. He did.

Q. Who was that?

A. Mr. Taliaferro and his assistants.

Q. What is Mr. Taliaferro's name?

A. I don't know.

Q. He sits here by counsel, on the other side?

A. Yes sir.

Q. What opportunities and facilities did you afford him for verifying or revising your figures or verifying the subject of inquiry in this case?

A. Every possible facility. We laid our books and state-
5453 ments and figures entirely open to him.

Q. Did he ask for anything he did not receive?

A. No sir, absolutely not. We gave him every assistance we could.

Q. He had some assistants also, did he, persons helping him?

A. Yes sir.

The MASTER:

Q. How long were he and his assistants engaged in your office?

A. I can only approximate it, but I should say two months or more. I don't believe at all times they worked all the time there, but their examination extended over a period from early in July until along in September and they were there most of that time, some of them.

Q. You have all the papers in the office now that were there at the time you made these figures?

A. Yes sir.

Q. I will ask you if in connection with compiling the figures shown in item 1 of Exhibit 2, you compiled the figures shown in item 2 of Exhibit 2, the latter figures purporting to show the amount of earnings which would have been received from carrying the commodities mentioned in the Act of 1905 at maximum rates on Wabash mileage, excluding traffic on which the application of the rates fixed by the Act of 1905 would have increased the revenue of the company?

A. I compiled the figures, yes sir.

Q. How did you compile them? What did you do?

A. I drew a detail of the figures from the way bills
5454 themselves, making a statement of just such commodities as were covered *at* the Act. I determined from the way bills themselves what we did earn, and the rate charged, and then I applied the rate named in the Act of 1905 and determined what we would have received; excluding any shipments where the application of the rates named in the Act would have increased our revenue.

Q. These figures in item two aggregate $103,387.06 in 1904, and $126,445.73 in 1905?

A. They are correct, barring clerical errors that might have crept into the statement, as would be natural in a statement of such a character.

Q. Those figures represent what would have been earned had the rates prescribed by the Act of 1905 been applied to the commodities mentioned in that Act, carried during the years 1904 and 1905?

A. Yes sir.

Q. Item 3 of Exhibit 2 shows that the total diminution of revenue resulting from the application of the rate prescribed in the Act of 1905, would have been in 1904 $32,405.98 and in 1905 $36,574.10: Are those correct?

A. They are.

Q. We will pass over item 4 of Exhibit 2, because it simply shows the diminution in percentage. I will ask you what you had to do with the compiling of the figures shown in item 5 of Exhibit 2, which purports to give the total receipts from all intra-state freight business in Missouri during the years 1904 and 1905?

A. Those totals were thrown together in the Auditor's
5455 office, and I did not compile them.

Q. What did you have to do with the detail of the compilation?

A. I furnished him the two statements, one showing the revenue derived from interstate traffic, and the other from intra state traffic, in gross. Then the Auditor took those figures, and he made the deduction on account of over-charges and claims, etc., and the figures shown opposite item 5 are the result of his compilation.

Q. Did you furnish the total amount of gross interstate freight business in Missouri for those two years?

A. Yes sir.

Q. Which are used in the figures referred to in item 5?

A. Yes sir.

Q. How did you get at those figures, in the manner you have said before?

A. Yes sir.

Q. Exhibit 5 represents the first statement that was prepared by the company, for the experts representing the defendant, was it not, Mr. Berger?

A. There are seven sheets of it and I am not familiar with those exhibits. So I will have to be a little slow about being acquainted on totals, because there are totals there I am not familiar with and have not handled.

The MASTER:

Q. Exhibit 5 is a paper which was first prepared and handed to counsel on the other side. It has been fully identified.

Mr. MINNIS: I am trying to find out what is the difference
5456 between the two. I want to show that this witness has had to do with both.

Q. Referring to the same items on Exhibit 5 that appear on Exhibit 2, the service you rendered in assisting in preparing these reports, included the preparation of the statement shown in Exhibit 5, did it not?

A. I can answer that by saying I performed the same duties exactly in preparing the first statement submitted, as I did preparing the second statement submitted.

Q. Referring to the first statement that was submitted, being part of Exhibit 5, what is the total receipts from all intra state freight business in Missouri for the years 1904 and 1905?

A. They are given on Exhibit 5 as $678,342.35 for 1904, and $701,241.94 for 1905.

The MASTER: By consent of counsel, Exhibit 5 is numbered pages 1, 2 and 3 for convenience of reference.

Mr. MINNIS:

Q. Exhibit 2 shows that the total receipts for all intra state freight business in Missouri for the year 1904 was $688,242.18, and for 1905, $717,221.68: I will ask you under what circumstances and for what reasons these figures in the old statement were changed, and submitted as contained in Exhibit 2?

A. As I understand it, it was by agreement between the representatives of the State and the Wabash Railroad; the Wabash Rail-

road people were to get together with the expert for the State, and determine points of differences which had been located, upon which we could agree.

5457 Q. Who was it, representing the State, that you talked with about that—I mean representing the Defendant in the case?

A. We dealt entirely with Mr. Taliaferro, in getting up these agreements, but the arrangement for carrying out such an agreement, I believe, was made between counsel.

Q. To see where we could differ and where we could agree?

A. The idea was, if we could facilitate matters by turning in a statement we could both agree upon, we would endeavor to do it.

Q. That is, there would be an effort to do that?

A. Yes sir.

Q. With respect to the difference between the two statements, what item or items constitute that difference?

A. That was detailed, and the matter gone over by Mr. Tobin, when he was on the stand yesterday or the day before.

Q. Yes, and referred to the same question?

A. I can give you the figures if you wish.

Q. I wish the figures and circumstances under which the changes were made.

At this point, the usual hour for recess having arrived, recess was taken until two o'clock P. M.

After recess on Friday, November 23, 1906, the following proceedings were had:

The direct examination of the witness R. E. BERGER was continued by Mr. JAS. MINNIS, as follows, to wit:

The WITNESS: It was my understanding that you wanted

5458 me to give the items that were added to, or deducted from, the original figures that were submitted, so as to make the figures that were submitted at this hearing? Is that correct?

A. Yes, and if there were any errors involved, state the circumstances, and how they occurred.

The MASTER: I would suggest that it would be a good idea to refer to the items as they occur in Exhibit 5, and compare them with the figures given in Exhibit 2.

Mr. MINNIS:

Q. Tell us what additions or deductions were made in connection with the figures on Exhibit 5, which purport to indicate the total revenue received on intra-state business, in the classes mentioned in the Act of 1905.

A. I will have to say, in answer to that, that the placing of all those items was entirely in the hands of the Auditor of the Wabash Railroad. I furnished him certain data, and he placed them together; and I do not feel that I am competent to answer the question. I do not believe I could do it intelligently.

Q. You have said, however, that you furnished him the figures which showed the additions of the separate items of earnings indicated by the way-bills, and that you obtained the intra-state earnings in that way. And that you also obtained from the way-bills the interstate earnings, applying the basis for divisions that you have tes-
5459 tified to: and that these figures were made by the Auditor in compiling the figures indicated upon Exhibit 5, as representing the revenue received from intra state freight business, of the classes mentioned in the Act of 1905, for the years 1904 and 1905, haven't you?

A. I have. I compared those statements.

Q. Now tell us, Mr. Berger, what additions you made to either of the figures you furnished the Auditor, Mr. Tobin, or what deductions you made therefrom; and why you made such deductions, if you did make them; or why you made such additions, if you made any additions. Tell us about them?

A. We were furnished a memorandum by the expert for the State, Mr. Taliaferro, calling attention to what they understood to be certain errors in the figures we had originally submitted (indicating Exhibit 5). We checked over those items, compared them with our records, and we agreed with the expert representing the State upon certain amounts which should be added or deducted.

Q. What were those amounts?

A. For the year 1904, we agreed to add to the intra state miscellaneous freight earnings, the sum of $40,503.86.

Q. What did that amount represent, or why did you add that?

A. I had better give you the figures following that first, and
5460 then I can answer your question better, I think, Mr. Ladd.

Q. Very well.

A. We agreed to add to the miscellaneous freight earnings $71,107.78, making a total to add to miscellaneous freight earnings of $111,611.64. The total of $111,611.64 consisted of switching charges, within the switching district of the City of St. Louis, Missouri, that had been omitted from the original statement.

Q. Mr. Berger, you speak of "agreeing": You mean, don't you, that you and Mr. Taliaferro, the expert representing the State of Missouri, agreed upon that sum as the amount of the switching earnings; but you did not agree, did you, as to where it should be classified, as to whether intra state or miscellaneous freight earnings: You did not agree as to that?

A. No sir.

Q. It was with respect to these amounts? Mr. Taliaferro had ascertained this amount as belonging to miscellaneous earnings?

A. Yes sir. Mr. Taliaferro stated it should be included in freight earnings, as we thought it should be included in switching earnings.

Mr. LADD: I am glad you stated that. That is exactly Mr. Taliaferro's position.

You pretty nearly agreed upon the correct amount, but you
5461 did not agree as to just where that amount should be located.

A. That is right.

Mr. MINNIS:

Q. Why did you omit these earnings, originally?

A. The earnings were on freight business moved within the switching limits of St. Louis, on waybills. While the ordinary switch movements in St. Louis are handled on switch tickets.

Q. By other Companies?

A. By the Wabash Railroad Company, as well as other Companies. We worked under instructions to leave these switching earnings out of our freight earnings. But it was an over-sight—like in putting these figures together we omitted the switching earnings from the statement of the miscellaneous earnings.

Q. The data was there, readily to be gone over, and the mistake ascertained, was it not? And Mr. Taliaferro did discover it?

A. It was lost sight of in the final compilation of the figures.

Q. That is, the switching earnings?

A. Yes sir.

Q. What is next?

A. We added to the intrastate freight earnings for the year 1904, $31,198.43.

Q. What was that item?

5462 A. That item consisted of bridge tolls that we had deducted from the intra state freight earnings, in error. They should have been deducted from the inter-state earnings.

Q. You simply added to the intra state earnings, the amount which had been erroneously deducted on account of bridge-tolls?

A. Yes sir, and we deducted a similar amount from the interstate freight earnings.

Q. What other additions or deductions were made in these figures (indicating Exhibits 2 and 5).

A. There were no other additions. We deducted from the intra state freight earnings $21,298.60.

This is an item which we discovered ourselves, in going over the figures in the other matter submitted by Mr. Taliaferro.

Q. What was that item?

A. That item consisted of switching earnings in the St. Louis switching district, that we had included in the intra state freight earnings.

Q. Do you k-ow whether or not Mr. Taliaferro verified these figures or not?

A. So far as I know, Mr. Taliaferro did not verify the figures.

5463 Working under the theory upon which we were working—that the switching earnings were not to go into freight earnings, those amounts were deducted by us as having been erroneously included in our statement.

That completes the additions and deductions for the year 1904.

Q. And that explains the reasons for changing the figures referred to?

A. Yes sir.

Q. Now, take up the year 1905.

A. In the year 1905 we added to the intra state miscellaneous freight earnings $28,871.50; and to the inter-state miscellaneous freight earnings, $50,686.24; a total of $79,557.74.

Q. On what did these additions to which you now refer, consist?

A. As in the case of the year 1904, these additions consisted of switching charges within the switching limits of St. Louis, that had been overlooked in error, in preparing this statement.

Mr. LADD:

Q. Switching charges on way-bills you mean, Mr. Berger?

A. Yes sir.

Mr. MINNIS:

Q. Who discovered that mistake?

A. The expert called attention to it.

Q. The expert for the State?

A. Yes sir.

5464 Q. What other additions or deductions were made, to these figures?

A. We added to the intra-state freight earnings $40,481.27. That amount consisted of bridge-tolls that were deducted in error from the intra-state freight earnings.

They should have been deducted from the inter-state freight earnings, and when we corrected these statements we added to the intra-state and deducted it from the inter-state.

Q. Bridge-tolls are tolls paid over the bridge at St. Louis?

A. And Hannibal.

Q. What else?

A. We also added to the inter-state freight earnings the sum of $14,179.14; and that amount consisted of errors in the application of the established per cents which we used in dividing our earnings between lines and branches.

Q. Do you recall the circumstances that caused you to make that addition?

5465 A. Yes, sir. In dividing business between Albia, Iowa, and St. Louis, Missouri, we allowed Missouri fifty-eight per cent instead of seventy-three per cent, which is proper under our basis. That made a difference of $5,164.17, a purely clerical error.

The other amount of $9,014.97 was a similar error made in connection with dividing business exchanged with the Omaha Division.

Those were all the additions.

We deducted from the intra-state freight earnings $24,501.53. Of that amount $19,669.97 consisted of switching earnings covered by way-bills in the switching limits of St. Louis, which in working up the other figures we discovered had been included in the intra-state freight earnings, in error.

The difference of $4,831.56 we also discovered was due to errors in footing our records, in drawing off intra-state freight earnings for Missouri.

Q. Who discovered that?

A. It was discovered in my office.

Q. How was the error made? To what was it attributable? Explain how the data was arranged from which the figures were obtained and how they included that, when it should not have been done.

A. Our record sheets are arranged to show the business forwarded from every station on the line to every other station. In
5466 tabulating our data upon our record we arrange it in the order the stations appear on the road. For instance, we start out with St. Louis and we give the business from St. Louis to the next station west. Underneath that, we give the business to the next station beyond that; and so on all the way through. So, when we took our business, say from St. Louis to all other stations, they would follow one another in the natural order.

In drawing off this data for the purposes of this statement, we did not draw off every item. We would draw a line when we would get to the limits of Missouri and then we would foot the column. It was evident that some of the men, who were more or less unfamiliar with this work, and did not know where the State lines were, drew their lines too far down, and included some of Iowa. This made a difference of $4,831.56.

The MASTER:

Q. And that was corrected in your revised statement?

A. Yes, sir.

Mr. MINNIS:

Q. And what else?

A. We also deducted from the inter-state freight earnings $40,481.27, which consisted of bridge-tolls that had in error been deducted from the intra-state freight earnings.

That completes the additions and deductions for 1905?

5467 Q. The bridge-tolls deducted from the intra-state freight earnings for 1904 and 1905, as shown in the original statement, were deducted from inter-state earnings in getting the figures shown in Exhibit 2, weren't they?

A. State that again?

Q. You deducted the tolls originally, from the intra-state earnings, and your original statement was based on that theory?

A. Yes sir.

Q. Now when you came to make a new statement you added the amount of the tolls to the intra-state earnings, being the same amount you had formerly deducted?

A. Yes sir.

Q. And then deducted the amount of the tolls from the inter-state earnings?

A. That is right.

Q. And the earnings from switching that you took out of intra state earnings were placed in miscellaneous earnings, weren't they?

A. Yes sir.

Q. You said a moment ago that you had data in your office which

would show just how the mistake was made that was rectified by deducting certain inter-state earnings from intra-state earnings?

A. Yes sir, I have a statement.

Q. What data do you refer to in your office, that would show that?

5468 A. When we discovered those errors we drew off a list of the errors made from and to the various points.

Q. In other words, the records show that some of the items that were added into the intra-state business were in fact inter-state business?

A. Yes sir, that is right.

Q. And you can point out those items?

A. I have such a statement.

Q. Did Mr. Taliaferro or his assistants call your attention to any other error in your figures: I do not speak with reference to deductions or computations or anything of that kind, but in the figures?

A. I think this embraces everything that we had our attention drawn to.

Q. You say you do not recall any other error claimed by him, by Mr. Taliaferro, with respect to the data that you prepared?

A. Aside from those contentions that he made in these statements, that certain miscellaneous earnings ought to go into freight earnings.

Q. That applies to the division?

A. Well, I believe he also made the contention, which we did not agree to, that in dividing certain earnings in Iowa, where he had compiled the figures on a straight mileage basis instead of our percentage basis, he drew attention to that.

Q. I am speaking merely of figures.

A. These are the only figures that we decided upon.

5469 Q. Mr. Berger, Item 2 indicates the earnings which would have been received for the commodities mentioned in the Act of 1905 had they been carried at the maximum rates named in that Act, based on Wabash mileage?

A. Yes sir.

Q. What is meant by the expression "Wabash mileage"? What does it indicate, in the connection in which it is used?

A. I mean by applying the maximum rates we used the actual road mileage of the Wabash between given points, between all points in fact, regardless of the fact that a competing line might have a shorter mileage between those two points.

Q. I believe you have stated that the figures you have compiled were used in arriving at the figures indicated in Item 7 of Exhibit 2: This Item indicates earnings which would have been received from all intra-state business in Missouri, had the commodities mentioned in the Act of 1905 been carried at the maximum rates named in the Act of 1905?

A. Yes sir, I worked up the freight figures.

The MASTER:

Q. Did you also exclude from that item the traffic on which the application of the Act of 1905 would have increased the revenue, the same as you did in the other?

A. I do not understand.
Q. Does that note which appears on Exhibit 2 apply to Item 7, also?
A. Yes sir.

Mr. MINNIS:

Q. In the figures you have furnished the Auditor, showing
5470 the intra-state earnings I will ask you if the earnings from shipments of live-stock from Kansas City to Missouri points are included?
A. Yes sir.
Q. What was the amount of revenue derived from shipments of live-stock from Kansas City to Missouri points during the years 1904 and 1905?
A. I have not those figures, but I believe the Auditor testified to them yesterday.
Q. Then I will withdraw that question.
Q. You included in intra-state freight earnings for 1904 and 1905, all revenue or earnings derived from the shipment of live-stock from Kansas City to Missouri points during those years, didn't you?
A. We did unless the waybill itself showed that the stock came from beyond Kansas City.
Q. But where the way-bill showed that the business originated at Kansas City, you included it?
A. Yes sir.
Q. Do you know how that stock is billed out of Kansas City to Missouri points?
A. Yes sir, it is all way-billed from Kansas City, Missouri.
Q. Is any of it billed from the stock-yards?
A. It is billed from the Kansas City stock-yards, Missouri.
Q. What does the billing say, do you recall?
A. The head of the way-bill will read "From Kansas City stock-yards to St. Louis", or Macon, or whatever city it may be.
5471 Q. The billing is from the Kansas City stock yards?
A. Yes sir. A separate series of numbers is used to distinguish that billing from the billing from Kansas City proper.
Q. Are you able to state at this time what percentage of the revenue derived from live-stock shipments from the Kansas City stock yards during the years 1904 and 1905 was inter-state earnings?
A. I have not got those periods, but I have some data on the subject for the months of November and December, 1905.

Mr. MINNIS: That data was gotten from the books of the Stock Yards Company, and not our books.

Q. Can you prepare a statement showing the total amount of earnings which would have been received for carrying the commodities mentioned in the Act of 1905, that were carried during the years 1904 and 1905, figured on a short line mileage basis?
A. The information can be gotten at but I am unable to say now how long it would take to prepare it.
Q. Mr. Berger, did you make any figures with respect to the

diminution in revenue that would have resulted from carrying the commodities mentioned in the Act of 1905, had the maximum rates mentioned in that Act been charged on all such commodities during the years 1904 and 1905?

A. Yes sir.

Q. What would that diminution have been during the year 1904?

A. The total diminution in revenue for the year 1904
5472 would have been $18,957.15.

Q. And in 1905?

A. In 1905, $16,718.72.

Q. I will ask you whether you furnished the detail that was used in compiling the figures which represent what would have been received for carrying the commodities mentioned in the Act of 1905 at the maximum rates named therein, during the years 1904 and 1905?

A. The original statement or the corrected statement, I mean including all traffic?

Q. Yes, including all traffic, all items of commodities.

A. Yes sir, I prepared those figures.

Q. And they were used by the Auditor in making his computations, were they, or are those figures as they were prepared by you?

A. They were compiled by the Auditor after I turned them over to him.

Q. Have you prepared a statement which indicates the commodities mentioned in the Act of 1905, which if they had been carried during the years 1904 and 1905 would have resulted in an increase of the Wabash earnings.

A. I compiled such a statement.

Mr. MINNIS: I ask the privilege of introducing hereafter a statement showing just what commodities could be carried under the Act of 1905 to increase the revenue, and what figures covering the diminution.

5473 Cross-examination.

By Mr. S. B. LADD:

Q. I understood you to state upon your direct examination that you were about a year ago asked to prepare a statement for the year 1904.

A. Yes sir, I approximated the time. I do not remember exactly when it was.

Q. And along about April or May of the present year you were asked to prepare a statement for 1905?

A. That is right.

Q. You arrived, if I understood you correctly, at the amount of intra-state freight earnings, as stated in both of these statements, by an examination of the intra-state way-bills?

A. And examination of all way-bills.

Q. And then you drew off from your records or books, or from your records, the total earnings in which Missouri was interested,

and then you deducted the intra-state earnings, ascertained from the way-bills, as you have just stated, from the total, and thus arrived at your figures for the Missouri part of the inter-state earnings: Is that right?

A. Yes sir.

Q. Did you go, in order to prepare yourself to make these statements, to the inter-state way-bills, in order to ascertain the portion of the inter-state earnings which Missouri was entitled to?

A. I did not.

5474 Q. I do not understand (it is my fault, probably) just what you meant when you said you deducted the intra-state freight earnings from the total earnings, and thus arrived at the inter-state earnings. Had you already ascertained the total earnings, and were they stated on your books?

A. We drew them from our books. We drew from our books in detail the business handled from and to each station in which the State of Missouri had any interest. We made a total of that for the year. We drew from the way-bills the detail of the intra-state earnings for Missouri, and then we deducted the intra-state total from the total of all earnings in which Missouri was interested, and the difference was the inter-state business.

Q. Your books already showed, did they, in some summarized form, the total a-ount of inter-state earnings in which Missouri was interested: Is that right?

A. Not entirely. They showed a detail of the business moving from and to each station in which Missouri had any interest, whether intra-state or inter-state interest. There are some way-bills that——

Q. Let me tell you my difficulty, and perhaps we will get right together. You said you figured up your intra-state earnings from an examination of all the way-bills?

A. That was right.

Q. It was necessary to do that, was it?

A. Yes sir.

5475 Q. And then you ascertained the inter-state earnings or the Missouri part of it, by deducting the amount of the intra-state way-bills from the total?

A. That is right.

Q. I want to know if you had, previous to making up the statement at all, or starting in to working up the statement, summarized that amount from which you could subtract the intra-state earnings, when you obtained them?

A. No sir. But we had interspersed through all the sheets, in which all other states are interested as well as Missouri, the total business moving between the stations on the road. We were obliged to pick out from the sheets, those details in which the State of Missouri had any interest. When we consolidated those totals it gave us the total earnings in which Missouri was interested, from which we deducted the intra-state earnings.

Q. By "sheets," you mean something different from the way-bills?

A. Yes sir, our statistical sheets are about 36 by 24 inches in dimension.

Q. And those were sheets, were they, which you had kept in the ordinary course of business of your office: Is that right?

A. Yes sir, that is right.

Q. Those sheets were not prepared for the purposes of this case?

A. No sir.

Q. You already had them?

5476 A. Yes sir, we already had them.

Q. Had those sheets which you spoke of, apportioned to Missouri its part of the inter-state earnings, where it was entitled to any part, or did you have to make the apportionment after you began the preparation of this statement: Do you see what I mean?

A. We had to make the apportionment on the special statement we prepared.

Q. The apportionment had not been made at all?

A. No sir.

Q. For instance, on these sheets there would appear, we will say, a carload of freight from Chicago to Kansas City?

A. Yes sir.

Q. That is inter-state business?

A. Yes sir.

Q. And you received for that whole thing $50, to illustrate, for transporting that freight from Chicago to Kansas City?

A. Yes sir.

Q. And that appeared on these sheets as $50, did it?

A. Yes sir.

Q. You had not on these sheets divided that $50 between Missouri and Illinois?

A. We had in one year, the last half of 1905.

Q. I am speaking of 1904 and the first half of 1905.

A. We did not have that divided, as I recollect it.

Q. That division and apportionment to Missouri of that

5477 part of that $50, and other similar items, you had to make for the first eighteen months of those two years?

A. That is it.

Q. Then I think I understand it.

So when you speak of deducting the amount of intra-state earnings from the total freight earnings, you mean by "total freight earnings" in that connection, the amounts made up of the intra-state earnings and Missouri's proportion of the inter-state earnings, after you had ascertained them, and put them together: Is that it?

A. That is it.

Q. When—why doesn't it mean, Mr. Berger—is it strictly accurate then, that you ascertained Missouri's proportion of the inter-state earnings by subtracting the intra-state earnings from the total freight earnings: You didn't know what the total freight earnings were, did you?

A. In Missouri?

Q. Until after you had apportioned them, and you had to ap-

portion the inter-state part of them before you could have a total, didn't you?

A. That is right.

Q. My question was, because I did not know but that you had them apportioned beforehand, and had them on your books.

A. No sir, I did not go through all the figures of how we got the total.

Q. What apportionment to Missouri of its part of the inter-state earnings had not been made, except as a part of
5478 your work, in the preparation of these statements?

A. Yes sir.

Q. That apportionment was involved in the preparation of these statements?

A. Yes sir.

Q. In making that apportionment you followed these different bases that you testified about this morning, did you?

A. Yes sir, I did.

Q. And when you got through with that apportionment, and footed up these several sums you had apportioned to Missouri, it amounted to the sum stated on Page 1 of Exhibit 5, that is to say, $1,811,879.81: Is that right?

A. No sir, it did not amount to that, because, as I said before, those totals are compiled by the Auditor, and my figures were simply the freight figures, in gross. From those figures he deducted anything in the way of claims or overcharges, etc.

Q. With such expenses as that?

A. Yes sir. I furnished the basis for those figures in that way.

Q. Your total of the amounts apportioned to Missouri, amounted as you have stated to $1,811,879.81, with the possible qualification that the Auditor made some deductions, for good reasons, some exceptions to it: Is that right?

A. Yes sir, that is right.

Q. When you speak of the Auditor, you mean Mr. Tobin who has been on the stand here for two or three days?

A. Yes sir.

5479 Q. You do not want the Master to understand, do you, that by these various systems of apportionment which you have referred to, that Missouri always gets its share of the total revenue in the same proportion that its local rates bear to the local rates of other States, through which that freight may pass?

A. I want to say that I consider it received approximately that basis, in my opinion.

Q. Aren't there a great many exceptions, when it does not?

A. Yes sir, there are exceptions.

Q. Aren't there a great many exceptions?

A. There are a great many instances where it does not, and there are a considerable number of exceptions where it gets more: And I consider, from my experience in handling these percents, what I have seen of them, that it is a very fair allotment.

Q. I am not talking about it being a fair allotment.

A. I will qualify, and say I consider it gives Missouri approximately what a rate pro-rate division would give it.

Q. What did you do about tolls on the bridge, upon freight coming from the east of the Mississippi River: Aren't those taken out of Missouri's proportion?

A. In some cases they are and in some cases they are not.

Q. I will ask you if they are not in most cases.

A. They are taken out of the proportion for Missouri
5480 where the rate applies from the east bank of the Mississippi River.

Q. Let me ask you this question: Suppose there is a car-load of freight from Cincinnati for Kansas City. It has to cross the Mississippi River at St. Louis. I will ask you if the bridge-toll does not come out of Missouri's part of that rate.

A. It does. I want to qualify that, however, by saying that that rate is made up of the rate from Cincinnati to East St. Louis, plus the rate from East St. Louis to Kansas City, so the rate west, applying from East St. Louis to Kansas City, includes the bridge-toll, and is so understood.

Q. I will ask you if in the case of a car-load of freight going from Kansas City to Cincinnati, over your road and the Baltimore & Ohio Southwestern, whether the bridge-toll for crossing the Mississippi River is not taken out of Missouri's part of the rate.

A. It is, and for the same reason.

Q. In the case of freight from Cincinnati to Kansas City, I believe you spoke of first-class freight: What is your local rate from St. Louis to Kansas City per hundred?

A. The rate from St. Louis to Kansas City, I believe is sixty cents. I have the rate from Hannibal. I used Hannibal as a basis, but I believe they are the same as from St. Louis.

Q. What is the through rate from Cincinnati to Kansas City?

A. That I do not know. I do not think there is any
5481 through rate. As I recollect it, the rate is made up of the rate from Cincinnati to East St. Louis, plus the rate from East St. Louis to Kansas City. I may be mistaken about that. There might be through rates published, but I don't k-ow them.

Q. Isn't the rate from East St. Louis to Kansas City the same as it is from St. Louis to Kansas City?

A. It is.

Q. In a shipment of that kind, out of Missouri's part of the total revenue, if Missouri gets its part in the same proportion that its local rates bear to the rates east of the Mississippi River, do the bridge-tolls come out of that?

A. The Wabash would not derive any revenue at all from a shipment of that kind except what it should get from St. Louis to Kansas City; and it would get only what was left of the rate after it paid the bridge-toll to the bridge company. Therefore, the question of what applies east of the Mississippi River would not cut any figure at all with us.

Q. Does not the bridge-toll come out of the Missouri part of it?

A. Yes sir. The rate applies only between St. Louis and Kansas

City. The Wabash would be obliged to pay that bridge toll on that shipment.

Q. Is the bridge-toll a considerable item?

A. Quite so, Yes sir.

Q. What is the approximate proportion between the bridge-tolls across the river, and your rate from St. Louis to Kansas City?

A. On first class freight I should say, off-hand, the
5482 rate would be two cents per hundred, bridge-toll. I have no tariff before me and cannot answer positively. But I think that is what we pay.

Q. How many thousand dollars does that amount to in a year, that comes out of that part, just for bridge-tolls at St. Louis, Missouri?

A. I could not approximate it.

Q. Are you able to do that?

A. The information could be gotten.

Q. Is the same thing true at Hannibal?

A. About the same situation.

Q. Can you ascertain that?

A. Yes sir. It will require a little time to do that.

Q. If it means a month, I do not want to wait for that.

A. It means following ten and fifteen cent items for a period of two years.

Q. You may give me total figures at both points for bridge-tolls.

A. I can do that.

Q. You referred this morning to a division of rates between what you called the Des Moines division of your road, running from Moulton, Iowa to Des Moines?

A. Yes sir.

Q. And the balance of your road?

A. Yes sir.

Q. From St. Louis to Des Moines how much of the through
5483 rate do you allow to the Des Moines division?

A. 40 per cent.

Q. How much do you allow to the rest of the line from Moulton down to St. Louis?

A. 60 per cent.

Q. What is the distance from Moulton to Des Moines?

A. 96 and a fraction miles; we call it 97 miles.

Q. And the distance from St. Louis to Moulton?

A. 243 miles.

Q. Out of a dollar then, from St. Louis to Des Moines, you give the Des Moines Division, being 96 miles of mileage, forty cents; and you give the rest of the Line, with a mileage of 243 miles, most of it in Missouri, sixty cents?

A. Yes sir, that is right. The Des Moines mileage we estimate at 97 miles.

Q. That is ever so much worse than the mileage basis, isnt' it?

A. Yes sir, that is more than mileage.

Q. I will ask you what is your local rate from St. Louis by that line to the Iowa State line.

A. I have not that.

Q. In such a case as that, Missouri does not begin to get its proportion in accordance with its local rate?

A. No sir.

Q. It does not get it even on a mileage basis?

A. No sir, it does not.

Q. Or anything like it?

5484 A. Without having the rates before me I would not want to say anything like it.

Q. Isn't it perfectly plain, from looking at those figures, that it does not get anything like a mileage basis?

A. That is right. But when you say it does not get anything like a rate basis I cannot answer that without looking at the rate.

Q. Will you please ascertain what your rate is from St. Louis to the Iowa State line, over those roads?

A. Yes sir.

Q. And that is what your rate is from St. Louis to Des Moines over those roads. Is that on first-class freight you are speaking of?

A. Practically all first-class, I was speaking of.

Q. You spoke only of percentage: Does that percentage refer to all kinds of freight?

A. Yes sir.

The MASTER:

Q. Does that percentage apply to all freight shipped on your road through Moulton, however near the Iowa Line it might originate?

A. Yes sir, it does. It refers to the entire division.

Q. Whether shipped all the way from St. Louis, or from a station very near to Moulton, the Missouri end would get the 60 per cent and the Iowa Division the 40 per cent?

A. Yes sir, that is correct.

Mr. LADD:

Q. Moravia is ten miles north of Moulton?

A. Yes sir.

5485 Q. Does the same rule apply to freight coming down from Des Moines to Missouri, as going up there?

A. Yes sir, the same rules.

Q. I will ask you about freight starting from Moravia ten miles north of Moulton on the Des Moines Division: How much does the Des Moines Division get of that?

A. 40 per cent.

Q. Although carried only 16 miles as against 243 miles?

A. Yes sir.

The questions asked by the Master are here read.

Q. Is that right?

A. No sir, that is not right. As I understand the question now, that is not right. I thought the Master referred entirely to the location of the stations on the Des Moines Division, but I see now his question referred to station between St. Louis and Moulton. There

are different groups applicable to different territories there. I wish to change that answer.

Q. You did not understand the question?

A. No sir, I did not understand the question.

Q. I will ask you a question on the same line:

You have a station, haven't you, Mr. Berger, called Jacksonville on the line from St. Louis running through Moberly to Des Moines?

A. Yes sir.

Q. How far north of Moberly is that?

A. Jacksonville is 11.9 miles north of Moberly.

5486 Q. How far is it from Jacksonville to the Iowa line, by your road?

A. About 75 miles. Moulton is 83 miles but I don't believe Moulton is exactly on the line.

Q. How far is it from Jacksonville from Moulton, 84 miles?

A. I think it is shown there (indicating folder) as 83 miles. Yes, 83.8 or nearly 84.

Q. Moulton is approximately 9 miles north of the northern line of the State?

A. Yes sir, of the State line.

Q. What is the next station north of Moulton?

A. The next station north of Moulton is West Grove—well, on which division. There are two divisions.

Q. Des Moines I am talking about.

A. The next station is Udell.

Q. Hor far north of Moulton is that?

A. Udell is 7 miles north of Moulton.

Q. Take the case of freight shipped from Jacksonville in Missouri to Udell in Iowa, Udell being 7 miles north of Moulton: That freight runs 7 miles on the Des Moines Division and 83 or 84 miles on the rest of the line, 75 miles of which is in Missouri: How would the revenue be divided between the Des Moines Division and the rest of the line?

A. The Des Moines Division 70 per cent, other lines 30 per cent.

Q. Does Missouri get anything like its local rates or in

5487 proportion to its local rates on those shipments?

A. I cannot say as to the rates. I do not know what the specific rates are.

Q. Will you please find out what the rates are from Jacksonville to the nearest point to the State line?

A. I will.

Mr. MINNIS:

Q. Also the local rates from the State line to Udell?

A. Yes sir.

Mr. LADD:

Q. Suppose that total rate was one dollar, Mr. Berger, it is carried over seven miles of the Des Moines Division, up in Iowa: That is right?

A. Yes sir.

Q. Those seven miles would get seventy cents: Is that right?
A. Yes sir.
Q. That leaves 84 miles for the rest of the trip?
A. Yes sir.
Q. Of which nine miles is in Iowa and seventy-five miles in Missouri?
A. That is right.
Q. And that thirty cents you would divide between Iowa and Missouri on the basis of the respective mileage: Is that right?
A. Yes sir.
Q. What would be Missouri's proportion of that thirty cents?
5488 A. It would be as nine is to eighty-four, assuming that the distance from the State line to Moulton is nine miles, and it is approximately that.
Q. Missouri's part would be about eight-ninths, wouldn't it?
A. Yes sir.
Q. Eight-ninths of thirty is twenty-seven cents, isn't it?
A. About ninety per cent.
Q. The Missouri part of the system for hauling that seventy-five miles would get twenty-seven cents: and the Iowa part of the system, that is the nine miles, would get three cents: and the seven miles on the Des Moines Division would get seventy cents?
A. That is right.
Q. Do you think there is anything fair about that in such a case as this?
A. I wouldn't attempt to say if it is. I do not make them.
Q. You are not responsible for that? It speaks for itself?

Mr. MINNIS: We will argue that. There is a reason for that.

Mr. LADD:

Q. I will ask you if it is not a fact that on all freight transported from points in Iowa on the Des Moines Division to points in Missouri, or from points in Missouri to points in Iowa on the
5489 Des Moines Division, in the division of the total revenue between Missouri and Iowa, Missouri, does not get the worst of it, a good deal?
A. On what basis?
Q. I have asked you that question.
A. Missouri does not get the worst of it.
Q. I will not ask you to criticise your own basis, of course. But I will ask you if Missouri gets the equivalent of a return on the mileage basis.
A. I do not think it does.
Q. Does it get a return equivalent to a pro-rate, as between the local rates in Iowa and the local rates in Missouri?
A. I do not believe it does, although I am to investigate those rates.
Q. The illustration I have just put to you shows a very overwhelming difference?
A. Yes sir.

Q. Of course they are not all as bad as that, but isn't it true that on almost all freight that goes from Missouri to the Des Moines Division Missouri gets very much the worst of it?

A. I do not think Missouri gets a road mileage apportionment, but I am inclined to think it gets less than a rate per rate basis.

Q. Does not it get, on the whole, a very much less rate than either basis would afford it—very much less?

A. It gets considerably less than a road mileage,—but let me find out what the rates are before I tell you.

5490 Q. Owing to the partiality or sympathy which some one in antiquity entertained for the Des Moines Division.

A. That is only 1903.

Q. It is only 1903?

A. Yes sir, January 1903.

Q. I will not ask you whether you justify it.

Do you know whether a practice obtains on all roads which reach Kansas City, of transporting feeders, stock cattle, from the yards there to points in Missouri, at seventy-five per cent of the actual rate?

A. I do not, no sir.

Q. You don't know anything about that?

A. I know it is frequently done by our road under tariff publications, but whether it is a common practice I do not know.

Q. Is it a common practice with your road?

A. It is done at times by our company, but whether it is a common practice I cannot say. The traffic people would have to say that.

Q. That is done in the hope that sometime you will carry those cattle back as fat cattle?

A. We absolutely see that we do it.

Q. And so you reduce the rate on the feeders down to 75 per cent of the rate on fat cattle?

A. That has been authorized quite frequently.

Q. In figuring the losses on live-stock which you would have sustained if you had charged only the rates fixed by the Act of 1905, did you use this basis of 75 per cent?

5491 A. It is my impression that where the bill figures showed we had worked on 75 per cent of fat cattle rates, we also applied those rates to the figures under the Act of 1905.

Q. The apportionment to Missouri of its part of the interstate earnings from freight, which resulted in the two statements which you have filed here, was on the same basis or bases that prevail now?

A. You mean in the application of these per cents?

Q. Yes.

A. Yes sir.

Q. And that have prevailed ever since the first of January 1903?

A. Yes sir.

Q. And some of them even longer than that?

A. Some of them back to 1889.

Q. These records were kept in the same way for the fiscal year ending June 30, 1906, from which you compiled these statements, were they?

A. Yes sir.

Q. Was there anything inaccurate in those records, as to the division of the revenue between the States according to those bases of percentages?

A. Anything inaccurate in what?

Q. In your records for the period ending June 30, 1906?

A. Not that I know of.

Q. They were all right, weren't they?

5492 A. Yes sir.

Q. Properly kept?

A. Yes sir, so far as drawing off the total earnings, yes sir.

Mr. MINNIS:

Q. Do you mean the records in Mr. Berger's charge?

A. Our division of earnings sheets, I thought you meant.

Mr. LADD:

Q. Yes?

A. That is right.

Q. You did not make any changes in your method of tracing interstate earnings, beginning July 1, 1906?

A. We did not keep the interstate freight earnings separate at all. We never did, except for the purposes of this statement.

Q. Would the methods, which you employ in your office now, and have employed since July 1, 1906, reach any different result from what you have reached in these statements?

A. We could not get the results from the methods we employed, that are reached in these statements.

Q. You cannot?

A. No sir. I make no separation, between intra state and interstate, in our regular monthly reports. But for the purposes of this statement we worked the matter up accurately from the waybills.

Q. Is there any difference in the method of keeping your

5493 accounts now, and the method that prevailed in your office from January 1, 1905, to June 30, 1906, which would produce any difference in the results of these statements?

A. Either I am dense or you are not clear. I want to say that from the methods that prevailed from July 1906 or January 1905, none of them would enable me to get up those statements the way I prepared them. I was obliged to go to the individual waybills, to prepare this statement. But so far as the methods used for the purpose of statistical reports, monthly, we would not pretend to go into this detail. It would need ten thousand clerks and a nine acre lot room to put them in. I might quality the ten thousand a little.

The methods we are using are the methods taken from the reports and not from the waybills themselves.

Q. Did the methods of keeping accounts in your office from the 1st. of July, 1905, to June 30, 1906, make it any easier or harder for you to prepare such statements as you have prepared here, than the methods which are in vogue now since June 30, 1906? In other words, is there any difference between your methods of keeping your

accounts in those two periods, which would affect your facilities for making up such statements as these?

A. No sir. There is no difference. I can make them up just as well now, because I would go right back to the waybills to do it, which I did before.

The MASTER:

Q. To what system was it that Mr. Tobin alluded, as having been in vogue for awhile, and then afterwards changed?

5494 A. I was here and I heard the testimony regarding what was termed an abandoned method.

Q. What was that?

A. We attempted, commencing July 1, 1905, to work up State earnings according to a particular formula that we had cut out for us. That made no provision for dividing interstate from intrastate earnings, but we did attempt to apportion to each State the earnings it derived from intra state or interstate traffic. But it was all in one total. Now, when we made this special statement we worked it from the waybills themselves, and we divided the intra state and the interstate.

Q. I understand that.

A. So the results we would arrive at from the two methods would not change the total earnings for the State, but it would change the division between intra state and interstate.

Q. How long did that tentative system prevail in your office?

A. How long did that custom prevail?

Q. Yes.

A. One year.

Q. From what period to what period?

A. From July 1, 1905 until June 30, 1906. I may say that under the method of working from the monthly reports, we went entirely by the way the reports would read. And I might illustrate it in this way: Every thing that would read from St. Louis, Missouri,

5495 to Kansas City, Missouri, would be considered local Missouri business. But when we go to the waybills we find that there are thousands of waybills reading from St. Louis, Missouri, to Kansas City, Missouri, where the freight either has its origin or destination beyond one of those points. Therefore, in comparing this special statement we eliminated all the interstate business by going to the waybill itself.

Mr. LADD:

Q. You- books as you kept them from July 1, 1905, to June 30, 1906, showed the amount of revenue allowed to Missouri, didn't they?

A. They did.

Q. What was wrong about it, anything?

A. There was nothing wrong about it on the basis upon which we worked. It was all right. But as I have just explained to the Master, we did not separate the State from the interstate. We showed it in toto.

Q. That was all the difference?

A. That was all the difference.

Q. There was not anything wrong about that?
A. There was not anything wrong, no sir.

Mr. MINNIS: Let me understand that.

Q. You say that this abandoned statement we are talking about, was made up from these reports that you spoke about this morning, that the agents at points of destination sent to your office?
A. Yes sir.
5496 Q. Now, you say you would take every waybill reading from St. Louis to Kansas City, for instance, and you would consider that Missouri business?
A. Yes sir, consider that Missouri business.
Q. If it originated in fact in Ohio, you would credit to Missouri the earnings between the point of origin in Ohio?
A. No sir, those waybills are Missouri business still, but they are combined earnings of intra state as well as interstate traffic.
Q. It showed separately the charge from St. Louis to Kansas City?
A. Yes sir. The whole difference is that in this special statement we were asked to separate intra state and interstate business, and on the other basis used in my office, we showed the total earnings for Missouri in one amount, for statistical purposes.

Mr. LADD:

Q. Do these books or sheets or whatever we may call them——
The MASTER: I think the appellation freight division sheets has been applied to them.

Mr. LADD:

Q. Books or sheets, or whatever we may call them, that were kept in your office for that period of one year ending June 30, 1906, are they correct so far as they purport to show the freight earnings in Missouri?
A. They are.
Q. Total freight earnings?
A. Yes sir. I want to say they are correct as far as the
5497 formula laid down would go, but I believe since those earnings were worked out it has been decided, under legal advice, perhaps, that that was not the proper way to distribute freight earnings to States. And I believe another system has been put into effect, which puts it on the basis of first crediting to each State the local earnings, and dividing the total interstate earnings for the system on road mileage. That is my understanding, but as I did not make those divisions I would prefer that the Auditor, who does make them, would give the information.
Q. Were these statements of freight earnings in Missouri, which the company has filed here, produced by following the same system upon that point which you had in your office during the fiscal year ending June 30th?
A. They were not.
Q. What was the difference?

A. Well, as I say, the system we followed in the office was a system taken entirely from the reports themselves. The special statement we filled here made it necessary for us to go to the waybills and make the distribution between State and interstate.

Q. That did not make the distribution between State and interstate? Your books gave just the total freight earnings in Missouri, without undertaking to divide them? Is that right?

A. Yes sir.

Q. In apportioning these statements, did you follow the
5498 same method as in computing the sheets or books?

A. The results should be practically the same, so far as the total earnings for Missouri are concerned.

Q. In speaking about this revenue from switching on waybills, I understood you to say in your direct examination that you were instructed to omit them from these statements; Was that right?

A. You mean the errors that were located later?

Q. I understood you to say that you were instructed to omit from these statements the revenue derived from switching on waybills: Did I understand you correctly?

A. No sir. I was instructed to omit them from the freight earnings.

Q. Oh, yes. In the first place you did not have them in at all?

A. No sir.

Q. That was by inadvertence, was it?

A. Wholly. It was the intention to include all switching under the head of miscellaneous freight earnings, and I was instructed not to take them into the freight earnings, but in the general shuffle they were omitted from both.

Q. Who instructed you, Mr. Tobin?

A. Yes sir, I believe it was Mr. Tobin. Yes, that is right. Mr. Tobin is the Auditor. That was the theory on which we made that up.

Q. Mr. Tobin is your superior, isn't he?

A. Yes sir.

5499 Q. You have charge of a sort of department in the office of which he is the head: Is that right?

A. Yes sir, I have charge of everything pertaining to the accounting for freight earnings.

Q. Do you remember, Mr. Berger, the amount of freight earnings credited to Missouri on these sheets which you kept for the fiscal year ending June 30, 1906?

A. I do not.

Q. Do you know of such a thing in your office as form A O 208?

A. Yes sir.

Q. You are familiar with it?

A. I certainly am.

Q. Do those earnings appear on that form?

A. They were compiled monthly on that form, but the compilations for the year were made by the Auditor. I turned over my reports monthly.

Q. I wish you would ascertain and give me, if you can the total

amount of freight earnings credited to Missouri on this form, for the fiscal year ending June 30, 1906; and include in it, or as a separate item if you prefer, the amount received for switching on waybills?

A. I think it is already included in it.

Q. Mr. Berger, on business between Hannibal and points east of the Mississippi River, do you allow Missouri any part of the earnings?

A. No sir.

Q. How far is it from your station at Hannibal, where you
5500 load freight, to the bridge?

A. Approximately a mile.

Q. Is it true that although you load freight and switch cars at Hannibal, destined to points east of the Mississippi River, and take them to the bridge, Missouri gets no part and no compensation for that service?

A. There is no allowance for it in the earnings.

Q. Are not all the expenses at Hannibal of that kind charged to Missouri?

A. I cannot understand that question. I do not know anything about expenses.

Q. But you know that there is not included in the earnings, anywhere, neither in this statement nor on your books, any compensation for services of the kind I have spoken of, rendered at Hannibal on shipments from Hannibal, transporting them from your station at Hannibal to the river, no part of that is credited to Missouri?

A. None.

Q. I understood you to testify that you did not mean to say, in reference to these changes made between your first and second statements, that Mr. Taliaferro and you, or any of your people, agreed that the statements were correct, even the last statement?

A. Not in toto, no. We did agree upon certain figures that should be allowed.

Q. For instance, you have spoken of the item of switching on waybills, in your direct examination, which you said amounted to $111,611.64?

A. Yes sir.

5501 Q. Mr. Taliaferro, when he called your attention to that, made it some more, didn't he?

A. He made it $112,877.61, something like $1200 difference.

Q. And as to that he accepted your figure, didn't he?

A. Yes sir, he did.

Q. And it was the same way with the omitted item of earnings for switching on waybills for 1905, amounting to $79,557.74: The same is true of that, is it?

A. Yes sir. He made that $2000 less than we did, so we played fair and reported both amounts as we found them.

Q. He did not agree it ought to go in miscellaneous earnings?

A. No sir.

Q. That is where you parted ways?

A. We parted very friendly on that subject, and left it open.

At this point, the usual hour for adjournment having arrived, the further hearing of testimony herein, is adjourned until Saturday, November 24, 1906, at ten o'clock A. M.

ST. LOUIS, MISSOURI, *November* 24, 1906.

Met pursuant to adjournment as above on Saturday, November 24, 1906, at ten o'clock A. M. in the Federal building in the City of St. Louis, Missouri.

5502 Present: Parties as before.

The following proceedings were had:

The cross-examination of the witness RICHARD E. BERGER, was continued as follows by Mr. Ladd:

Q. Mr. Berger, are you prepared this morning with the information I asked you for yesterday?

A. Yes sir, I think I have it all.

Q. What were the total freight earnings of the company in Missouri for the fiscal year ending June 30, 1906?

A. The figures taken from my statistical sheets and turned over to the Auditor were $3,470,629.60. From these figures the Auditor makes the proper deductions on account of overcharges, etc.

Q. What do those deductions amount to, do you know?

A. I do not.

Q. Have you examined your books to see?

A. No sir, those figures the Auditor will give.

Q. Is this result $3,470,629.60 reached after deducting the bridge tolls?

A. Yes sir.

Q. Have not certain overcharges also been deducted before you reached this result?

A. They have.

Q. What deductions, then, remain to be made?

A. That I do not know, Mr. Ladd.

Q. What would be their character?

A. I don't know that. After I complete my returns and
5503 get my totals, they are turned over to the Auditor for his action, and I do not know what he does with them.

Q. You said the bridge tolls and certain overcharges had already been deducted before you arrived at the result of the figures you have mentioned: What were those overcharges which have already been deducted; what was the general character of them?

A. In general they would be claims for relief of agents. The Auditor furnishes me each month with a statement of deductions from freight earnings. Those are spread on my sheets and are taken into consideration when I make my compilations.

Q. Do you deduct anything besides bridge tolls and certain overcharges you have referred to?

A. I think not.

Q. Nothing else?

A. Not that I recollect now. I cannot state positively without examining the details—well, there would come in the question, for

instance, of proportion of foreign roads. For instance, if we had a shipment billed through, and we have a good deal of business coming through, from we will say the Atchison, Topeka & Santa Fe Railroad, to a point in Missouri, we would deduct the proportion of the A. T. & S. F. in my office, before working up these totals. That would be a deduction that would come out.

Q. That has already been taken out of this, by you?

A. Yes sir.

Q. Do the bridge tolls and the overcharges you have men-
5504 tioned, and this proportion to some other road which you referred to last, constitute the principal items in amount of the deductions which you make before you reach these figures?

A. Yes sir. As far as I can say from memory, they represent practically all.

Q. In this $3,470,629.60, is your revenue from switching in Missouri included?

A. The revenue from switching handled on waybills in the St. Louis district is included.

Q. Is the other switching included?

A. It is not.

Q. I refer now to the other switching of freight: That is not included?

A. That is not included. Nothing is included except what is moved upon waybills.

Q. Freight that you have moved by switching, and received pay for, is not included in here, except such as was moved on waybills?

A. That is right.

Q. The other switching which is not included in here, where do you put that in these accounts which you made, under the head of miscellaneous?

A. I simply rendered the total to the Auditor, and it is my understanding he puts it under the head of miscellaneous freight earnings.

Q. Do you remember what that amounted to?

A. I have not got that amount—what amount? The one
5505 covered by waybills, or the other?

Q. The other, which is not included in this?

A. No sir, I have not that.

Q. But that switching which you have not included in that, and which I understand it has not been your practice to include, and which is not included in these earnings, either intra state or interstate freight earnings, is a service consisting of the movement of freight, in freight cars, by your company, for which you receive compensation?

A. That is right.

Q. What was the amount of the bridge tolls of the Hannibal bridge and the East St. Louis bridge, in each of the years 1904 and 1905: Can you give them separately for each year?

A. Yes sir.

Q. Please do so.

A. The total amount of Hannibal bridge tolls for the year 1904 is $173,215.36.

Q. And for 1905?

A. $220,593.67.

Q. And the St. Louis bridge?

A. The St. Louis bridge tolls for the year 1904 were $83,474.25.

Q. And for 1905?

A. $109,113.97.

Q. What are your first class local rates from St. Louis to the Iowa State Line?

A. Fifty-three cents per hundred.

5506 Q. What is the rate on the same class from St. Louis to Des moines?

A. Sixty cents.

Q. What is the rate from Jacksonville, Missouri, to the Iowa state line?

A. Thirty-six cents.

Q. What is the rate from the Iowa State line to Udell, Iowa?

A. Twenty-three cents.

Q. What is the rate from the Iowa state line to Moulton?

A. I have not that.

Q. You have already said that in this $3,470,629.60 was included the switching on waybills?

A. Yes sir.

Q. Do you know the amount of switching on waybills that is included in that?

A. No sir, we could not get at that in this time.

Q. Do you know the amount of switching of freight not on waybills, which was not included in that?

A. No sir, I have not that data.

Q. Would it be possible to ascertain that without much difficulty?

A. I believe the Auditor could get at the latter figures. I have not that total.

Q. Suppose you look into it between now and Monday, and see if it can be ascertained without too much difficulty?

A. That will take time.

5507 Q. Mr. Berger, I would like to ask you, if your company moves a carload of freight say a quarter of a mile, or even less, in a manner which you call switching, and charges the consignee of that freight two dollars for moving it, and it is moved in a freight car, by your freight crews, isn't that just as much freight earnings as if you moved it ten miles, in your judgment? No matter how you may keep your accounts for the purposes of evidence, isn't that a movement of freight, for which you get pay?

A. My judgment must necessar-y be governed by the common practice.

Q. I am not speaking about your practice of keeping accounts. I do not object to that.

A. It is an earning from freight, but the common practice backed up by the rulings of the interstate commerce commission, places that as "a miscellaneous earning," which it is the general practice of the roads to follow:

Redirect examination.

By Mr. MINNIS:

Q. The earnings you referred to in your direct examination were derived from business handled during the fiscal year ending June 30, 1906?

A. Yes sir.

Q. Have you any methods, aside from that you used in making the statements in this case, for ascertaining the earnings of the company from business done in Missouri, for the calendar years 1904 and 1905?

A. None that I know of.

5508 Q. Referring to the bridge tolls, with respect to which you testified this morning on your direct examination, I will ask you whether those tolls were earned or paid by the Wabash Company?

A. The bridge tolls are never earned by the Wabash Company. That is an expense, or, rather, a deduction from the earnings.

Q. It is an amount expended or taken out of the earnings is it?

A. Yes sir.

Q. In giving the information as to those tolls at Hannibal and St. Louis for the years 1904 and 1905, did you take the calendar years 1904 and 1905 or the fiscal years?

A. I took the calendar years.

Q. How are those tolls divided for the purpose of deducting them from the revenue received by the company east and west of the Mississippi River?

A. Where the freight is rebilled at the Mississippi River, and the rate applies from or to the east bank of the Mississippi river, the bridge tolls are deducted from the proportion west of the Mississippi River. W-ere the bridge tolls arise on freight waybilled through, between points east of the Mississippi River and points wets of the Mississippi River, the bridge tolls are first deducted before we pro rate the earnings between lines east and west of the Mississippi River.

Q. In that way the earnings east and west of the river would share a proportionate amount of the deduction, wouldn't they?

5509 A. They would in every case where freight is waybilled through from a point east to a point west, or vice-versa.

Q. Have you any rates from the west side of the river to different points in Missouri, such as from St. Louis?

A. Yes sir, there is a tariff from St. Louis to points in Missouri.

Q. And also a tariff from East St. Louis to points in Missouri?

A. Yes sir. The tariff from St. Louis and East St. Louis are practically always at the same rate.

Q. But the tariff from St. Louis proper would be a tariff that would apply only to intra state shipments, or shipments west of the river, wouldn't it?

A. Not exactly. As a rule the rates from East St. Louis and St. Louis are covered by the same tariff.

Q. As a rule they are?

A. Yes sir. And the two rates are practically always the same.
Q. But in dividing the earnings between the States, those earnings are based on the tariff from East St. Louis to points west of the river, aren't they?
A. Yes sir.
Q. Referring now to the traffic groups, what division is made between earnings arising from business originating at St. Louis or east, to Des Moines, Iowa?
A. We allow the Des Moines division 40 per cent of the earnings west of the river, with the exception of Albia, Iowa. On Albia, Iowa, we allow the Des Moines division 25 per cent.

5510 Q. That is, where Albia is the destination or origin of the shipment?

A. Where Albia is either the destination or the origin or the business passes through Albia. A great volume of our business via Albia is in connection with lines north, and traffic is very heavy through that junction.
Q. What territory is covered by the group wherein Des Moines is allowed 70 per cent of the earnings?
A. You mean what volume of traffic?
Q. What territory does that group cover?
A. Where the Des Moines division is allowed 70 per cent, the territorial groups cover Moberly, Missouri, to Ottumwa, Iowa, on one side, and the Des Moines division, Moulton, Iowa, to Des Moines on the other side.
Q. What amount of earnings were there from Moberly to Des Moines during the years 1904 and 1905, interstate earnings.
A. I haven't it in dollars and cents. But from my experience, there would be a light volume of traffic moving.
Q. Light volume of traffic to which that 70 per cent division would apply?
A. Yes sir.
Q. You say the Omaha Division, being from Pattonsburg to Omaha, is allowed 40 per cent, on business handled by that division?
A. That would be from St. Louis to Omaha divisions. The percentages vary somewhat in other groups.

Q. How is that 40 per cent allowed to the Omaha division

5511 divided between Iowa and Missouri?

A. On actual mileage in each State. That is, 78 miles in Missouri and 66 miles in Iowa.
Q. What would be the per cent of the earnings apportioned to Missouri?
A. Approximately 55 per cent.
Q. What would be the per cent of the earnings on business from St. Louis apportionable to Missouri?
A. I would give Missouri 82 per cent.
Q. I don't believe you understood my question. 82 per cent of what?
A. Of the through charges from St. Louis to the Omaha Division, or it would give Missouri 60 per cent in the original division, and then 64 per cent of the 40 per cent allowed to the Omaha division,

which would amount to 82 per cent for Missouri and 18 per cent for Iowa.

Q. What was the mileage in Missouri as between St. Louis and Omaha?

A. 345 miles.

Q. And what is the mileage in Iowa?

A. 66 miles.

Q. What is the percentage of mileage in Missouri?

A. About 84 per cent.

Q. And what per cent of the earnings from business from St. Louis to Omaha is allowed to Missouri under the method you use in making the division?

A. 82 per cent.

Q. You testified on your direct examination that you
5512 thought that the division you made for the purposes of this case was about the same or approximately the same division that would have been made, if you had used the tariffs between the respective points?

A. Yes sir, approximately so.

Q. In some instances, the percentages in vogue, by the Company does not allow Missouri her proportion on a tariff basis, while in other instances it allows Missouri more than her proportion on a tariff basis?

A. Yes sir.

Q. Taking them all, you think that Missouri gets approximately her share, based on a tariff basis?

A. I do. You can take of course any group here, one way or the other, you will find there are exceptions, but from my experience in handling these accounts for twenty-three years, and this basis has been in effect largely for fifteen years or longer, I believe it is as reasonable a basis as could be arrived at to do the work expeditiously. You understand, it would be impossible for the road to go to the expense of dissecting these individual way-bills every month. If they did, the expense would be out of all proportion to the results; and for statistical purposes we feel we are getting close enough when we work upon this percentage basis.

Q. How much of an office force would it take to keep the accurate figures?

A. To work up the figures for all the States we run through, seven or eight, on the basis we worked up this particular statement for the purposes of this case, would in my opinion take five times the
5513 force I am using now.

Q. And if you added to that work, the work of making a division between the States on an accurate tariff basis?

A. That is what I speak of.

Q. It would take five times as much force as you have?

A. Yes sir.

Q. Referring again to the Des Moines Division, and the group wherein the seventy per cent division prevailed, I will ask you if that division is not based upon the division that was made with the Des Moines Northern and Western Railroad Company?

A. I cannot answer as to that particular group. It is my impression, however, that when this arrangement in January 1903, was made, to allow the Des Moines Division an arbitrary basis, that it was framed in line with percentages in effect then, on the Des Moines Northern & Western Railroad Company, which was a line then in about the same territory, and now a part of the Chicago, Milwaukee and St. Paul system. But as to the effect, or whether one particular group was in effect, I have no means of telling. The general basis however, was in line with what was in effect on the competing line at that time.

Q. Referring to the business originating at Hannibal and destined to points east of the River, I believe you said that no part of the revenue from those shipments was allotted to Missouri?

A. That is right.

Q. Why is no part of those earnings on those shipments
5514 allotted to Missouri?

A. Well, sir, the question was never raised until it was raised here.

Q. Do you know?

A. No sir.

Q. What would that business amount to?

A. It would be impossible for me to say. There is about one mile between the center of our yards in Hannibal and the western terminus of the Hannibal bridge. It might vary somewhat. There are more or less switches, in Hannibal, and it would be impossible for me to tell just where each car would be set out for the Hannibal bridge; but say approximately one mile. It is impossible for me to say what earnings that one mile would afford to the State of Missouri, if worked out. I should not say it would amount to a great deal.

Q. Is there much business originating at Hannibal destined to points east?

A. Some slight proportion of it originates at Hannibal, and that would be the only part that would be affected.

Q. Business originating at Hannibal?

A. Or destined to Hannibal. Business going beyond Hannibal is included in the rate west of Hannibal.

Q. And that mile is included?

A. We simply allowed to Missouri the proportion of the entire rate.

Q. It would be comprehended in, say, the rate between Chicago and Kansas City?

A. Yes sir. We would use, in dividing the earnings on
5515 any shipment from Hannibal to an Iowa point, for example, we would use the mileage from Hannibal, so you are practically right when you say that mile would be comprehended in that distance west of the river. This question of one mile is confined entirely to business that originates or terminates at Hannibal, Missouri, and that traffic is light, and the item of one mile would be trifling.

Q. You were asked on your cross-examination what proportion of

the expenses of the Hannibal office were charged to Missouri earnings?

A. I was, but I could not answer that.

Q. Can you answer it now?

A. No sir, the Auditor can answer that.

Recross-examination.

By Mr. LADD:

Q. Mr. Berger, if I understand you, you say that no allowance is made to the State of Missouri of any part of the earnings from freight originating at Hannibal and going east, or originating at any point east and coming into Hannibal: Is that right?

A. If the destination is Hannibal proper or the yards of Hannibal proper.

Q. Freight going east from Hannibal, if it is in less than car-load lots, your force loads it into the cars at Hannibal, doesn't it?

A. I presume they do. I have nothing to do with loading, however.

Q. If it comes from the east in less than car-load lots, your
5516 force at Hannibal unloads that freight?

A. They do.

Q. If it is a carload-lot from Hannibal going east, your engine sets that car on some track to be loaded?

A. The work is done on the west side, yes sir.

Q. And after it is loaded your same engine couples that on to a train, to be moved?

A. Yes sir.

Q. In the case of car-load lots coming from the east to Hannibal, your engine sets that car on what you would call a "team track" for the purpose of its being unloaded, doesn't it?

A. Unless they put it to a private switch, yes sir. I do not understand the modus operandi of work at Hannibal, but can only say, generally, the work is done at Hannibal.

Q. Everything done in connection with loading or unloading or handling of freight, from the east to Hannibal, or from Hannibal to the east, setting the cars in place, is a part of your freight expenses in this State, isn't it?

A. The work is done on this side of the river at the Hannibal station.

Q. And you say for all that you do not allow Missouri anything?

A. No sir, there has not been any allowance of earnings for Hannibal business, for the business handled to and from Hannibal proper.

Q. You spoke about the Excelsior Springs Branch having the advantage in some cases: How about the volume of business to Excelsior Springs Branch?

5517 A. The volume of business to the Excelsior Springs Branch is comparatively light.

Q. Who operates the Hannibal bridge?

A. I am not able to give you that information.

Q. I do not mean the man who turns the draw, if it is a draw

bridge, but what company operates that bridge? Does not your company operate that under a lease from the Hannibal Bridge Company?

A. I am not familiar with the operation of the Hannibal bridge, I will have to refer you to our Auditor, who is familiar with that.

Q. You do not know whether the tolls from the Hannibal bridge go to your company?

A. I am not able to say.

Q. In making your division on interstate earnings from points east of the Mississippi River to the Omaha division points in Missouri, do you first allow the arbitrary to the Omaha Division and then afterwards allow Missouri the arbitrary?

A. It depends upon where it is coming from, what group.

Q. Points east of the Mississippi River?

A. Yes sir. We have one group where we first allow the Omaha Division its arbitrary and then sub-divide the remainder between the lines east and west of the river.

Q. Was it done in making up these statements which have been offered here?

A. It was. We worked according to the basis I have furnished.

5518 The further hearing in this case is continued by consent of counsel until December 11, 1906, then to be resumed in the Federal Building in the City of St. Louis, Missouri.

5519 Wabash Railroad Company.

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5520 The further hearing in this case is continued, by consent of counsel, until December 13th, 1906, then to be resumed in the Federal Building, in the City of St. Louis, Missouri.

ST. LOUIS, MO., *Dec. 13th*, 1906.

The hearing in the above cause is resumed, in pursuance of agreement, at the Federal Building, in the City of St. Louis, on Thursday, December 13th, 1906.

Present: Mr. F. L. Schofield, Special Master.

Mr. J. L. Minnis, for the Complainant; and Messrs. S. B. Ladd and John Kennish, for the Defendant.

The following proceedings were had:

Recross-examination of Mr. T. J. TOBIN.

Continued by Mr. LADD:

Q. Mr. Tobin, at the last hearing you stated that in Item 1 of Exhibit 2, the figures $133,793.02 for the year 1904 included the receipts by your company for that year on live stock from the stockyards in Kansas City, Mo., but that part of that was probably interstate traffic, and the figures should be modified to that extent; and that you would look into that, and if those figures needed correction, you would be ready to state how they should be corrected: Have you looked into that?

A. Yes sir, we have looked into that. We sent one of our traveling auditors to Kansas City, and we compiled a statement showing a division of the revenue between State and interstate, according to the chutes in Missouri, and the chutes in Kansas. We found that Chutes Nos. 1 and 2 were located in Missouri, and Chutes Nos. 3 to 21 inclusive were located in Kansas.

5521

Q. Nos. 3 to 21 were in Kansas?

A. Yes sir.

Q. How, if at all, does that affect those figures shown in Item 1?

The MASTER:

Q. How many chutes used by the Wabash railroad did you find in Missouri?

A. Not used by the Wabash exclusively, but used generally by all roads.

Q. Then they were used by the Wabash in transporting this class of freight?

A. As I understand it, the chutes run right across the line; Chutes Nos. 1 and 2 are located in Missouri, and Chutes Nos. 3 to 21 are located in Kansas.

Mr. MINNIS:

Q. But we have not determined whether that was interstate revenue or not; that is what we are going to finally determine.

A. No sir, we have not decided fully whether that is interstate or State revenue.

Mr. LADD:

Q. That is not the question I asked you. I did not ask you to decide that. It is not for me to decide, either.

What I want to know is, suppose it is interstate, that part of it which came from across the line, over in Kansas, what does it amount to?

5522 A. The total revenue on live stock included in Item 1——

Mr. MINNIS: I object to that question, because the question is a supposition that the revenue arising from shipments from the Kansas line is not the statement that the witness is prepared to testify concerning. We are now testifying concerning revenue derived from chutes located in Missouri and in Kansas. As to whether they were shipments from Kansas or from Missouri, is a question we have not determined. There are certain chutes located in Missouri, and there are certain chutes located in Kansas. Now we are prepared to show the revenue derived from the cattle loaded at the chutes in Kansas, and that from the cattle loaded at the chutes in Missouri. Whether it is interstate or not will depend, I think, on another fact; where the pens are, and where the actual shipments were from. The question assumes a great many things which are for the determination of Your Honor as to whether these shipments were from Kansas or not.

The MASTER: The question of whether they were State or interstate shipments is a question of law, to be decided by the facts in the case; and what we are now directing the inquiry to is the location of the chutes, and other circumstances, so the facts may be ascertained.

Mr. MINNIS: I am objecting to the language of the question, the answer to which would decide whether they were interstate or not. The facts, I think, are what we want.

The MASTER: Item 1, to which the inquiry is directed, recites "Total revenue received from intra-state business," and the witness has stated that that includes shipments of cattle from the

5523 Kansas City stockyards. The contention of the cross-examiner is directed now to the inquiry as to how much of those shipments from the Kansas City stockyards was from the Missouri chutes, and how much from Kansas chutes. That is what I understand it to be.

Mr. MINNIS: That is not what I understood it would be. I have no objection to that inquiry. I understood the inquiry was, How much was shipped from Kansas.

The MASTER: You may modify the question. Shipments from the chutes in the state of Kansas, I suppose would be the proper inquiry.

Mr. LADD: Mr. Tobin can go on with that modification.

A. I have some figures here showing division of the revenue on

the business loaded from these chutes, but I cannot say how much of that was State, and how much interstate, business.

The MASTER: That is not for you to determine. You give the fact, if you can, as to how much freight of that character was shipped from the Missouri chutes, and how much from the Kansas chutes, and the Court will determine whether or not it is State freight.

A. Yes sir, I can give those figures. The amount included in Item 1 of Exhibit 2, for 1904, covering live stock shipments from Kansas City stockyards, is $46,455.43; 73 per cent of this amount was revenue from chutes located in Kansas, and 27 per cent from chutes located in Missouri.

Q. What does that show for the year 1905——

A. Pardon me, but I had not finished. The 73 per cent
5524 amounts to $33,914.52; and the 27 per cent amounts to $12,540.91.

Q. You were about to give the figures for 1905, I believe.

A. For 1905 the total was $53,412.32. Loaded from chutes in Kansas 76.6 per cent, amounting to $40,898.83. Loaded from chutes in Missouri 23.4 per cent, amounting to $12,513.49.

Q. In the answers you have just given, have you been dealing with shipments from the stock-yards to points in Missouri, and from points in Missouri to the stockyards; are both included?

A. Yes sir.

Q. So that the $46,455.43 represents your revenue during the year 1904, from the transportation of freight from the Kansas City stockyards to points in Missouri, and from points in Missouri to the Kansas City stockyards, and is included in Item 1, $133,793.02?

A. Yes sir.

Q. And the same is true for 1905 as to the $53,412.32?

A. Yes sir.

Q. You say the amounts, equivalent to 73 per cent in one year, and 76.6 per cent in the other year, represent stock transported from or to chutes in the stockyards which lie in the State of Kansas: is that it?

A. Yes sir.

Q. That is, that part of the stock was loaded or unloaded at the chutes in the State of Kansas?

A. Yes sir.

5525 Q. Suppose the consideration of that part of the live stock shipments was eliminated in making up Item 3 of Exhibit 2, what would have been your total diminution in revenue, instead of $32,405.96 for 1904, and $36,574.10 for 1905?

The MASTER: If I understand you, Mr. Ladd, your question is, What part of those two diminution items is traceable to the shipments of stock to or from the Kansas City stockyards?

Mr. LADD: From the chutes in Kansas alone.

A. The diminution in revenue in 1904 would have been $23,631.63, and for 1905, $27,613.50.

Q. Then how much of your $32,405.96 is traceable to the diminution in revenue on live stock loaded or unloaded at the Kansas chutes?

A. For 1904, $8,774.33; for 1905, $8,960.60.

Q. Are those figures in reference to the revenue from live stock which you have given in your statement here, based on a straight rate for all kinds of live stock, or on the basis of feeders or stock cattle, at 75 per cent of the regular rate?

A. I don't know about the rates.

Q. Mr. Tobin, you stated on your direct examination before, that Item 9 on Exhibit 4 indicated that the general expenses of the company for offices, agents and advertising were, for the year 1904 $130,108.44, and for the year 1905, $152,373.27?

A. Yes, sir.

Q. And those figures represent expenses for those agents,
5526 and advertising, etc., apportionable to Missouri: now I would like to ask you if that item includes anything for agencies and advertising, or whether it is not a fact that items of those expenses are not included in the item, "Conducting transportation"?

A. My impression is that Item 9 consists of expenses for general offices; while agencies and advertising are under Item 7, "Conducting transportation".

Q. Yes, that is what I supposed.

A. The reason for that is this: The Interstate Commerce Commission classification provides for agencies and advertising under "Conducting Transportation". It appears in this form, because this was the form provided, and it does not properly belong there.

The MASTER: It is not a duplication in any way?

A. No sir, not at all.

Mr. LADD:

Q. I understand that during the year 1905, you charged and received for the transportation of certain of the commodities mentioned in the Act of 1905, less than the maximum rates mentioned in that Act?

A. Yes sir.

Q. If during that year you had charged for those commodities the maximum rates fixed by that Act, and had received those rates, how much more would your revenue have been in 1905?

The MASTER: That is, if they had charged up to the full rate authorized by the act of 1905, on all of the commodities mentioned therein, what would have been the revenue?

5527 Mr. LADD: No sir, on the commodities on which they charged less than the rates fixed by that Act. The question is, how much more would the revenue have been than it actually was?

A. You have the figures for 1904.

Mr. LADD: You gave me those figures before, Mr. Tobin. I overlooked that.

Q. Mr. Tobin, does your company make reports to the State authorities in Iowa, Illinois, Indiana, Ohio, Michigan, and New York?

A. Yes sir, with the possible exception of New York. If our

report is made to New York, it is very brief, because we have but a very few miles in New York, about Buffalo.

Q. Do you make annual reports?

A. Yes sir.

Q. Did you make one this year?

A. Yes sir, for the year ending June 30, 1906.

Q. You have copies of those reports?

A. Yes sir.

Q. Will you bring them in here, for last year, and the two preceding years; the last three fiscal years?

A. Yes sir.

Q. One of the questions I asked you before was this: What was the freight revenue of your entire system for the first six months of 1894, and the last six months of that year?

A. I think I furnished those figures.

5528 Q. Can you give me the freight revenue of the system in the State of Missouri for the first and the last half of 1904, and of 1905?

A. No sir.

Q. You cannot give me those?

A. No sir. In making up the statements for 1904 and 1905, we made them up for the year, and did not compile them by months. We paid no attention to the months at all. You remember you asked me at the last hearing if I could furnish you a statement for the last half of 1905, and my reply is this: We——

Q. That is another question.

A. It will be the same reply, that we do not keep it separate by months, and therefore cannot separate it for any period without going over all the work again. If we had been called upon for any special period, we would have kept it separate. But we were called upon to furnish it by years, and we made it up by years, regardless of any special period.

Q. Let me see if we understand each other: Cannot you give me the freight earnings in the State for the last half of the calendar year 1905. That is one of the questions I asked you. Can you give me that information from the sheets, records or papers in your office?

A. We cannot give that information from the same source that we compiled the earnings for the year 1905, for this specific case. There were some figures prepared for statistical purposes, which show the earnings.

Q. Well, that is just what I want. I do not care for what

5529 purpose they were prepared.

A. I think Mr. Berger showed those earnings.

Q. I mean for the last half of 1905.

A. Those statistical figures I furnished myself.

Q. For the last half of 1905?

A. Yes sir.

Q. What are they? We do not remember them. It is possible you are correct about that. I went over the record last night carefully, to avoid, as far as possible, a repetition of questions.

A. The freight earnings for Missouri, as prepared for statistical

purposes, show the following figures: For the six months ending December 31, 1905, $1,532,749.50; for the six months ending June 30, 1906, $1,732,961.63.

Q. Do these figures include switching?

A. These figures include switching covered by way-bills.

Q. They do?

A. Yes sir.

Q. Aren't you mistaken about that, Mr. Tobin?

A. No sir, I am not.

Q. You feel certain about that?

A. I am positive.

Q. Those two figures you have given me for the last half of 1905 and the first half of 1906, aggregate $3,265,711.13: is that right?

A. Yes sir, that is right.

Q. Mr. Berger testified that the total freight earnings of the company for that period, as taken from his statistical sheets,
5530 and turned over to the auditor, were $3,470,629.60, a difference in round numbers of $205,000. He stated that from those figures the auditor made certain deductions, that he did not know what deductions were to be made, but that the auditor would know: Now what of it?

A. We make certain deductions for overcharges, and foreign switching, and deductions of various nature, that are deductions from earnings.

Q. Can't you give me something like an itemized statement of those deductions, which amount to $200,000 in one year, classify them, and give the amounts for each class: Haven't you that?

Mr. MINNIS: I am willing to have the witness furnish everything that is material to this case. It appears from Mr. Berger's testimony that he furnished these figures, which are not in dispute at all, to Mr. Tobin, and that Mr. Tobin, according to the method he was then directed to follow, made certain deductions. Now, what those deductions are is not material, except to the extent that we claim they ought to be deducted in order to find the revenue. That is the only point that is material. For instance, there were deductions for service in Illinois, that ought not to be deducted from earnings in Missouri. Suppose we say we do not claim that ought to be deducted at all. But for those things which we do claim should be deduced, leaving Mr. Berger's figures as the sum to start with, we can show what we claim ought to be deducted in order to show the revenue for that period. But as to other deductions, that is not material to the case.

5531 The MASTER: The witness may furnish the itemized statement of the deductions, in so far as he may do so according to your understanding, and we will see how nearly satisfactory that is. If not satisfactory, then we can take such further action at the time as may be deemed necessary.

Mr. MINNIS: I may admit that none of these deductions ought to be made, and then he would not care for that at all, because that would show the revenue itself. What I propose is, to have the wit-

ness show everything we claim should be deducted from Mr. Berger's figures, and show what those deductions are.

The MASTER: If there is a difference between counsel, we can take action upon that difference at the time.

Mr. LADD: I understand that Mr. Tobin is to prepare an itemized statement showing what those deductions are.

The MASTER: He is to prepare a statement of the deductions, in so far as counsel is willing he should do so. I understand counsel is declining to give a full itemized statement of those deductions, as you request, but he is willing to give a partial itemized statement of the deductions.

Mr. MINNIS: And let the others be not considered.

The MASTER: Let the witness prepare the statement, and then if it is not satisfactory to counsel for the State, action can be taken at the time.

Mr. LADD:

Q. When can we get that statement, Mr. Tobin?

A. In preparing that statement, those deductions would
5532 show deductions upon a percentage basis. Now, if we are called upon for a statement of what the deductions should be, we must go and determine what the deductions are for Missouri. We prepared a statement for 1904 and 1905 upon the actual figures. The statement ending June 30, 1906, was prepared for statistical purposes only, and was gotten up on percentages. I will illustrate by taking the deduction for foreign switching. We took the earnings from foreign switching, and prorated them upon a percentage basis, deducting a certain amount for Missouri, for statistical purposes.

If I am called upon for an actual statement of deductions to be taken from this statement of Paragraph 3, I will have to go to the vouchers and pick out the vouchers for the State of Missouri. I have the figures and can get them, and I have the vouchers and can get them, that apply actually to Missouri. I would not attempt to put in any statement and say it was right, unless it was taken from the vouchers, when we have the figures in our office.

The MASTER:

Q. You have made deductions on a percentage basis, and you applied a different percentage, I take it, to each class of deductions made?

A. Yes sir.

Q. I assume that would probably answer Mr. Ladd's purpose. That you deducted such a per cent for such a purpose, and another per cent for another purpose. Perhaps that will be satisfactory.

Mr. MINNIS: In order to get the statement originally called for
by Mr. Ladd, we would have to get all the deductions for the
5533 entire property everywhere; then we would have a total; and then we would take a percentage of it for Missouri.

The MASTER: You can give it in percentages without much difficulty?

Mr. MINNIS: I think so.

The MASTER: And I understand counsel for the State to be willing to accept that?

Mr. LADD: I cannot say beforehand. I will have to take what I can get. I want the different kinds of deductions classified.

The MASTER:

Q. In percentages?

Mr. LADD: I want it in dollars. How many dollars in each class went to make up the aggregate of $200,000 in deductions. I don't want him to say, "We deducted fifty cents on an overcharge of this box," or anything of that sort. But there are different kinds of deductions, Mr. Berger said, deductions for different classes. Let him classify his deductions, and show how much, in dollars, each class accounted for.

The MASTER: Is there any objection to that?

Mr. MINNIS: No sir. I think now I understand Mr. Ladd's object is to ascertain if those deductions were properly made, in order to find the revenue. He can find that out by finding what items were comprised in the deductions. He may say, "This ought to be excluded," or "That ought to be excluded."

Mr. LADD: I say that because I think, perhaps, that will satisfy me, and yet I do not want to preclude myself.

5534 The MASTER: I thought there appeared to be a greater difference between counsel than there really is, when you come down to the real condition of affairs.

Mr. KENNISH: I do not see any reason why the witness should not answer the question Mr. Ladd has asked. The auditor reported that the road had earned in Missouri, $3,000,000. Mr. Berger testified that the auditor made certain deductions from that. This witness shows he made deductions amounting to $200,000. Mr. Ladd has asked him what those deductions were. It seems to me that is very material, and I cannot see any objection to his answering, if he made the deductions.

Mr. MINNIS: Why are you concerned with the deductions, except for the purpose of showing what should be treated as revenue during that period?

Mr. KENNISH: That is what the other witness reported was the revenue for Missouri.

Mr. MINNIS: If we made any deductions, what you want to know is what deductions were made from that figure, in order to show the revenue for Missouri.

Mr. KENNISH: We have a right to know what the difference was between the two officials of this Complainant. One thought this was the revenue from Missouri for that year; the other makes a deduction of $200,000; and we ask him what the deductions were, and he says he is unwilling to state.

The MASTER: I do not so understand the condition. A certain figure is given, which we will say, to illustrate, was something

5535 like $200,000 less than the compilation made by the Auditor of Freight Accounts, Mr. Berger, who says that his work stopped there; and from that total amount certain deductions were

made, under the direct orders of the general auditor, Mr. Tobin, resulting in the figures that are given in one of these exhibits. The question asked by Mr. Ladd, as I understand it, is for an itemized statement of the items entering into the deductions made, amounting to about $200,000. I understand that in order to compile such an itemized statement would require a vast amount of work, and Mr. Minnis is objecting on that account of giving an itemized account of those deductions made by the general auditor of the road. I was in hopes that some agreement might be had between counsel, that some itemized statement or other might be made—between counsel and experts—that would answer the purposes of defendant's counsel, and yet avoid the necessity of this extra amount of work and trouble which, upon the face of it, the question would seem to impose.

Mr. LADD: It has been suggested to me, if the Court please, that here is a statement to be prepared. In round numbers, deductions amounting to $200,000 have been made. The auditor knows what deductions were made, because he made them. Mr. Berger does not know. Mr. Minnis has suggested that all we are interested in is to know what deductions ought to have been made——

Mr. MINNIS: In order to show revenue.

Mr. LADD: —and that he might come in with an itemized statement of deductions amounting to $100,000, and then say to
5536 us, "We do not claim the other $100,000 of deductions, and we refuse to tell you what those are, because we give up the $100,000, and claim no such deductions." I do not think we will be satisfied with that.

Mr. MINNIS: What would be your object in going into that?

Mr. LADD: I will be through in a moment.

We are entitled to know what made up that $100,000, because if it was improperly deducted, and confessedly improperly deducted, we are entitled to know it, because it goes to the integrity of these accounts, and the reliability to be placed upon them. If they have improperly deducted one-half of these deductions, without any good reason for it, we are entitled to know what those deductions are. It is not for Mr. Minnis to say, "We will give up these deductions."

This witness is under cross-examination, and he put in these accounts. It is not for him to say, "We will give them up," and will not say anything more about them.

Mr. MINNIS: If that had been a statement prepared for the Court, counsel would be perfectly correct. But that is a statement prepared for statistical purposes, that had nothing to do with the Court. It is a private statement that we kept ourselves, and for our own purposes. Now it becomes material in this case to find the actual revenue of the company in Missouri for the period from July 1, 1905, to June 30, 1906; that is what they want to know. Now, all they are entitled to find out is what deductions were properly made, in order to show the revenue for that period. Then they would show the
5537 revenue for the period. Take Mr. Berger's figures, and the reductions that ought to be made, and then they would have the revenue for the period they are contending for. Now, why other deductions were made, for our private purposes, and for statistical

purposes, cannot concern them; and what object could they have in going into this? It does not impeach the statement. That statement was made up for one purpose, and this statement here was made up for another purpose. The materiality of this entire inquiry, and Mr. Berger's testimony, is to find the earnings for Missouri for the year ending June 30, 1906.

The MASTER: Just allow the witness to prepare the statement as fully as from your standpoint he may make it, and I will determine whether it is all that will be required or not, if more is required.

Mr. LADD:

Q. Mr. Tobin, you testified that the freight earnings of the entire system for the last six months of 1905 were $7,917,057.96; that the percentage was 54.26 per cent of the total freight earnings for the calendar year: now if that same percentage between the first and the last six months of that year prevailed on the Missouri part of the system, and your earnings for the last half of that year, in Missouri, were, as you have just stated, $1,532,749.50, would not the earnings for the whole of 1905 in Missouri be about $3,000,000 instead of $2,775,000, as shown in the statement which you have offered here?

A. That is a matter of compilation. Do you want me to compile the figures here and give them to you?

5538 Q. I ask you if it would not be about that, without figuring?

A. You are using figures for the last half of 1905, which I have given you, and which were prepared for statistical purposes, and not prepared for this case.

Q. I have given you the figures you testified to at the last hearing.

A. I testified that the figures for the last half of 1905 and the first half of 1906 were not prepared for this case. They were simply prepared for statistical purposes, and are not accurate.

Q. That is not answering the question. On that basis, if the same percentage prevailed in Missouri, would not your earnings for 1905, in Missouri, be about $3,000,000?

A. What were the statistical figures for the last half?

Q. Look at page 163 of your testimony. You testified this morning that your freight earnings for the last half of 1905 for Missouri were $1,532,749.50. That is not after making certain deductions?

A. Yes sir.

Q. Now I ask you if that amount was 54.26 per cent of the total earnings for the calendar year 1905, if the freight earnings for the calendar year 1905 would not be about $3,000,000 instead of $2,775,000, as shown in your statement?

A. Using the percentage figures as a basis, yes sir.

Q. I don't mean to commit you to exactly $3,000,000, but in that neighborhood.

A. Yes sir, that is right.

Q. That would be a difference of $225,000, wouldn't it?

5539 A. About $200,000.

Q. And how much of that $225,000 would be intra-state, roundly speaking?

A. One-third, say thirty per cent.

The MASTER:

Q. Applying the same ratio as given in your other tables?
A. Yes sir.

Mr. LADD:

Q. How much would that be for your intra-state freight earnings for that year, stated by you as $717,221.68?

A. About $60,000. It would add that amount, based upon the calculations put by you.

Q. I asked you, and you were to give to Mr. Minnis and myself the figures, if you could, by which you reached the result that the freight expenses in Missouri were 65 per cent of the total operating expenses, and you stated that you arrived at that in this way: A certain part of those expenses was directly on freight account; that was a fixed amount. A certain amount was on passenger account, which was also a fixed amount. Another part was common to both accounts, which you divided on the same basis. Adding the freight proportion of those common expenditures to the actual, ascertained, exclusive expense, produced figures which were 65 per cent of the total operating expenses in the State. Now what was the amount, in dollars, which you charged to freight exclusively, for 1904?

A. For the year ending June 30, 1904——

Q. I am talking about the calendar year. That is the
5540 way the statement is here, for the calendar year 1904.

A. In arriving at the figures for a division of the freight expenses for 1904 and 1905, we took an established percentage, and I have compiled figures showing that for six years, ending June 30, 1906, the percentage for freight was 65.04 per cent, and for passenger 34.96 per cent.

Q. 65.04 per cent of the total operating expenses, do you mean, of the system?

A. Yes sir, of the system.

Q. For a period of how long?

A. I went back six years. I could possibly go back twenty years, and find the same ratio.

Q. That is for the system?

A. Yes sir, that is for the system.

Q. Have you it for Missouri?

A. I have prepared a statement for Missouri, for four periods: for the six months ending December 31, 1905; for the six months ending June 30, 1906; for a summary of those two periods covering the year ending June 30, 1906; and for the last three months available, namely, the three months to September 30, 1906; showing the percentage of freight and passenger for those periods.

Mr. MINNIS:

Q. In Missouri?

A. Yes sir, in Missouri.

Mr. LADD:

Q. Referring to Exhibit 5, we find the figures for the operating expenses in Missouri for the year 1904 to be $4,657,318.04. That is the total operating expenses. The same statement shows that
5541 the operating expenses chargeable to freight, or which you have charged to freight, are $3,027,256.73: Now I wish you would give me the figures which are directly traceable to freight expense, and freight exclusively, which are involved in the figures, $3,027,256.73: how many dollars of that amount are chargeable directly to freight, with which passenger or anything else has nothing to do?

A. The statement shows 65 per cent.

Q. You don't understand me. Your statement Exhibit 3 recites this: "Freight proportion is arrived at as follows: All freight expenses are charged direct to freight." Now, I want to know how many dollars of the $3,000,000 and odd dollars is included in that part of the freight expenses which are charged direct to freight, according to that statement?

A. It is impossible to give you the figures in dollars and cents.

Q. You cannot do it

A. As I explained before, when we were called upon to make up this statement, the only basis we could use was a basis for the figures we could determine for Missouri.

I think I ought to make that clear now. I believe that some other road that was called upon to make this statement had been keeping their expenses by accounting divisions for years past. About June, 1905, we had a change in our management, and they called for operating expenses by accounting divisions. We, therefore, commenced to keep the expenses by accounting divisions, which
5542 enabled us to determine the expenses for the State of Missouri from July 1, 1905, but we could not go back of that period to determine definitely, because it is impossible to go back two years and prepare a statement.

Mr. MINNIS:

Q. What was the method pursued before the new management came in?

A. We had no method of dividing by accounting divisions. We simply divided the expenses by certain lines and branches covered by certain mortgages, and we were obliged to keep the expenses separately.

The MASTER: And those were not coincident with the State lines?

A. No sir, with the possible exception of the Excelsior Springs branch in Missouri, we do not have to keep any expenses separate, as it all was covered by the general mortgage.

When we were called upon for this statement, we got the facts as close as we could, and we took 65 per cent, because our experience for years past has been that 65 per cent of the expense is for freight.

Mr. LADD:

Q. So that this statement which I have referred to, shown in your

Exhibit 3, as to the method in which you arrived at the 65 per cent, is incorrect, and you did not arrive at it in that way?

A. In answer to that, I will say that I have some figures here——

Q. I think I will have to insist upon an answer to that question. The statement contained in Exhibit 3 as to the method by

5543 which the 65 per cent was reached, is not a correct statement, is it?

A. Yes sir, it is.

Q. It is correct?

A. Yes sir.

Q. Then I will ask you to give me the amount of money, in dollars and cents, which is charged direct to freight, as freight expenses, in the State of Missouri?

A. I have just stated it is impossible to do it, and I will have to reiterate my answer.

Q. Then you didn't do it, and this statement is not correct. If it is impossible to do it, the statement is incorrect to that extent.

A. I gave the method upon which I based that percentage, and I believe it is correct.

The MASTER: Now, you may add any explanation you desire, Mr. Tobin?

A. I want to say that in this Statement No. 3 I stated very clearly how we arrived at those figures. I stated that all freight expenses were charged direct to freight, and all passenger expenses charged direct to passenger, and all expenses common to both freight and passenger were divided upon a revenue train mileage basis. I have some figures here showing the result of that computation on the Wabash system for the year ending June 30, 1906, and it shows percentages as follows: Freight per cent 65.37; passenger per cent 34.63.

Mr. LADD:

5544 Q. You say you have applied this 65 per cent every year for a period of several years?

A. Yes sir. With one exception. Now it sometimes runs—the percentage for freight is sometimes over 65 per cent. For instance, I find in one period it is 67.1 per cent, and I find that in the year ending June 30, 1905, which takes in the World's Fair year, it dropped to 61.72 per cent. The expenses of the passenger business were heavier that year, on account of the World's Fair.

Q. In the World's Fair year how much was it?

A. 61.72.

Q. Then why did you charge us with 65 per cent for that year?

A. I took an average per cent.

Q. Why did you charge us 65 per cent, when you say it was only 61 per cent for 1904?

A. In making those figures we took what had been an average per cent, and applied it to both years. During the World's Fair year, it is a well known fact, the passenger business was abnormal. It was not really proper to call for a statement of the freight business for 1904. It was an abnormal year, and conditions prevailed then that would not prevail in an ordinary year.

Q. According to your system, what was it for 1905?

A. The year ending June 30, 1905, I have just named; it was 61.72 per cent. The previous year it was 66.44 per cent for freight; and the previous year it was 65.21; and the previous year 65.1.

Q. What was it for the current year?

5545 A. 65.37 per cent.

Q. And even taking your own figures on the system, do you think it is fair, when during the World's Fair year it was only 61 per cent, to charge us with 65 per cent?

A. Well, I have just stated that the World's Fair year was an abnormal year.

Q. But we are dealing with the World's Fair year.

A. It would undoubtedly have been more correct, probably, to take the 61.72 per cent.

Mr. MINNIS:

Q. But for a number of years the other had been the figure?

A. 65 per cent is the established per cent—that is, 65 and 35 per cent. The World's Fair business would make the percentage for freight abnormal, and the following year it might make a very different showing. Now you strike an average.

The MASTER:

Q. Did you give the specific per centum applicable to the year 1904?

A. We took 65 per cent for both years.

Q. But did you get the actual per cent for that year?

A. No sir, not for the straight year 1904. I am now dealing with fiscal years. All our books are kept by fiscal years. These statements are for current years, while our books are for fiscal years. I prepared those figures in order to show that we did take our established percentages.

Q. I understood you to say the actual figure for 1905 was 61 per cent.

A. That is for the year ending June 30, 1905.

Q. Have you the actual percentage for the year ending

5546 June 30, 1904?

A. Yes sir, it is 66.44 for the year ending June 30, 1904.

Q. Now what is it for the year ending June 30, 1906?

A. 65.37 per cent.

Mr. LADD:

Q. According to Exhibit No. 4 your total freight earnings in Missouri were $2,468,923.56, and your gross earnings from all sources, in the State, were $6,151,994.04; those freight earnings were 40.13 per cent of the total earnings.

According to the same exhibit your total freight earnings for 1905, in the State, were $2,775,009.26. Your total earnings from all sources in the State were $5,288,816.36. And during that year your freight earnings were 52.47 per cent of your total earnings in the State.

You applied, did you, the same proportion of the total expenses to freight in a year when its earnings were only about 40 per cent, as you did in a year when its earnings were 52 per cent, of the gross earnings?

A. Well, the passenger earnings were very heavy in 1904.

Q. I asked you if, by these statements, you applied the same ratio and the same proportion of expense, and charged it to freight, in a year when your freight earnings were only 40 per cent of the total, as in a year when they were 52 per cent of the total?

A. Yes sir.

Q. You do?

A. Yes sir.

5547 Q. So, notwithstanding all the vicissitudes of the railroad business, with its various ups and downs, lean years and fat years, that divine ratio of 65 per cent and 35 per cent survives immortal?

A. I have just stated that we do not have a World's Fair every year, and that 1904 was an abnormal year.

Q. Is there anything fair in charging to earning 40 per cent of your gross earnings the same amount that you charge to earning 52 per cent of your gross earnings? Can it be justified on any theory?

A. You can increase your passenger earnings, I should say from three to one, without any apparent additional expense—that is, none to speak of. For instance, you might carry ten passengers on your train, and during the World's Fair you might carry 100 passengers on that same train, without any additional expense to speak of. That is true, without any question.

Q. You think it is fair; is that your final conclusion?

A. I don't say so. I testified a moment ago that it would probably have been fairer to have taken that 61.72 per cent for that particular year; but that we did take 65 per cent, because that is our established basis, 65 per cent for freight.

Q. Now, I will ask you the question I asked you at the last hearing: whether there are in your office papers, accounts, records, sheets, etc. kept by you and your subordinates for the last six months of the year 1905, from which it appears, or can be

5548 made to appear, that your freight expenses in Missouri for the last six months of 1905 were only a little over 56 per cent of your total operating expenses in this State?

A. Yes sir, 56.56 per cent.

Q. The papers are there, are they?

A. Yes sir; that is, for that particular period.

Q. Then why do you charge 65 per cent for the calendar year 1905?

A. Because I think 65 per cent is about right.

Q. Although your own figures, which are kept in your own office, in which the Missouri freight expenses were kept separate from all other expenses, show 56.56 per cent. Why is it right, under those circumstances, to charge us with 65 per cent?

A. As I have stated before, this question of making a deduction on a revenue train mileage basis did not always produce actual

results; they did not always produce accurate results. That is 56.56 for that period. Take it for the last three months available and for Missouri it is 63.67 per cent. It jumps up from 56 to 63.

Q. What ratio did the freight earnings in Missouri for the last six months of 1905 bear to the total earnings for that same period?

A. We have not worked up the earnings for Missouri in that period.

Q. What proportion do the freight earnings in Missouri for the months of July, August and September, 1906, which you have mentioned, bear to the total earnings in Missouri?

A. I don't know that, because we have not made any
5549 figures for July, August and September for Missouri.

Q. I thought you got the percentage of earnings for that period?

A. We are not now dealing with earnings. This is expense.

Q. I would like to know what the earnings are.

A. I will have to work them out.

Q. I wish you would do it.

A. It will take time.

The noon hour having arrived, recess was here taken until two o'clock, P. M.

After recess on Thursday, December 13th, the following proceedings were had:

Cross-examination of T. J TOBIN, continued.

By Mr. LADD:

Q. Mr. Tobin, when we were here before, two or three weeks ago, there were a number of questions I asked you, and you said you would look them up, and get the information to answer them if you could.

One is this: I would like to know from the books of accounts, records and papers of various kinds, which you keep in your office, and which have been already referred to, how much the actual total operating expenses of Missouri were for the fiscal year ending June 30, 1906?

A. The total operating expenses in Missouri for the fiscal year ending June 30, 1906, were $4,075,478.29.

5550 Q. How is this divided on your books between freight expense and passenger expense?

A. The freight percentage is 59.52 per cent.

The MASTER:

Q. Have you that carried out in figures?

A. Yes sir, the freight expense, 59.52 per cent, is $2,425,347.71. Passenger expense, 40.48 per cent, is $1,650,150.58.

Mr. LADD:

Q. What were the total freight earnings in Missouri for the same year?

A. Those are the figures I gave you in the testimony this morning, $3,265,000.

Q. You gave them in two halves?

A. Yes sir. Those are the figures we prepared for statistical purposes only.

Q. The freight expenses for the same period were $3,267,711.13?

A. Yes sir.

Q. That is, after making the deductions that were referred to this morning?

A. Yes sir.

Q. What were the passenger earnings for the same period?

A. I will have to get the figures for that. I did not put those figures in here (indicating memorandum), because I maintain they are not right. I put in the answer and left the amount blank. We did not prepare those figures, and, therefore, I did not put them in here.

Q. I don't care whether you prepared it for this case or not.

5551 Mr. MINNIS: He says he cannot answer that.

Mr. LADD: He has had two or three weeks.

Mr. MINNIS: He can tell you what the abandoned statement shows.

Mr. LADD: That is what we want.

A. I will give you that.

Q. Can you give that answer now?

A. I have not the memorandum here, but I can get it from the papers in our office.

The MASTER:

Q. By the "abandoned statement," are you now referring to what was prepared and handed to counsel for the State in the first place, for which you substituted Exhibit 2?

Mr. LADD: No sir, they are referring to books and papers which they kept for a year.

The WITNESS: This statement we prepared for this case covers 1904 and 1905, and those figures are actual. But now they bring up questions going into 1906, which we never prepared on an actual basis.

Mr. MINNIS: What Mr. Ladd wants is the passenger earnings that are shown by the method which was kept and then abandoned, as I understand it.

The MASTER: What misled me was that counsel used the phrase "abandoned statement."

Mr. LADD:

Q. Were there any other questions asked you at that time which you can now answer?

A. You wanted the ratio between freight earnings in Mis-
5552 souri, and the total earnings in Missouri, for that period. I did not answer that question.

Q. Can you give me your total earnings in Missouri for the year ending June 30, 1906?

A. To give you the total actual earnings for Missouri for 1906, I would have to work up a statement covering that period.

Mr. LADD: Now, if your Honor pleases, I suggest that we take a recess, either short or long, for Mr. Tobin to prepare himself to answer those questions that I asked several weeks ago.

Mr. MINNIS: He will answer the questions that are asked. I am not going to sit here and have it go into the record that he is asked for actual figures and that he cannot answer, for that is not true. If Mr. Ladd asks what those books show, that can be answered. Mr. Tobin took a memorandum of these questions from the stenographer's report. We have not delayed, and we have an answer to every question that can be answered.

The MASTER: Mr. Tobin, can you give, without submitting your office and force to very considerable labor and time, the actual operating expenses for the fiscal year ending June 30, 1906, in answer to this question?

A. Yes sir. I have given the actual operating expenses.

Mr. MINNIS:

Q. For the year?
A. For 1906.
Q. Are those actual figures?
A. Yes sir, actual figures.

5553 The MASTER:

Q. Can you give the actual earnings for the year ending June 30, 1906?
A. No sir.

Mr. LADD:

Q. You have given me the freight earnings.
A. Not actual freight earnings.
Q. You have given me the amount, $3,265,711.13: now I want you to give me the other figures in the same way.
A. In giving those figures I said those were not actual earnings, but were made up for statistical purposes.

The MASTER:

Q. Can you give the same figures applicable to passenger earnings?
A. Yes sir.
Q. How long would it take to do that?
A. It wouldn't take half an hour.
Q. Can you have them here in the morning?
A. Yes sir.

Mr. LADD: I will have to pass that subject, then, for the present.

The WITNESS: I would like to know exactly what is wanted.

Q. I want the total earnings in Missouri for the fiscal year ending June 30, 1906; also the passenger earnings; also what you designate as "Mail, express, and miscellaneous earnings."
A. Very well.

Q. I want also the freight earnings in Missouri for the last half of 1905.

A. That you have.

5554 Q. Can you give me the total earnings for that same period?

A. You have the passenger, mail, express and miscellaneous.

Q. Can you give me the totals for the last half of 1905?

A. Yes sir.

Q. Can you give me the gross earnings of the system for the calendar year 1905?

A. I have an answer to that right here.

The MASTER: You can answer those several questions with the qualification you mention, that you get the answers from this statistical method that has been abandoned, and which is not actual?

A. Yes sir.

Mr. LADD:

Q. What were the total earnings of the system for the year ending June 30, 1906?

A. $25,015,378.70.

Q. What were the freight earnings for the same period?

A. $16,138,466.18.

Q. What percentage of the total earnings did the freight earnings constitute?

A. 64.51 per cent.

Q. What was the percentage of the freight expenses for that year of the total expenses?

A. 59.52 per cent.

Q. Is that for the system or for Missouri?

A. That is for the system. The per cent of freight is 65.37 per cent.

5555 Q. Let me see if I understand: For the fiscal year ending June 30, 1906, your freight earnings were 64.51 per cent of your total earnings: is that right?

A. That is right.

Q. And your freight expenses were, what do you say, of the total expenses?

A. 65.37 per cent.

Q. So that the proportion of your freight expenses to total expenses was almost the same, or very nearly the same, as the proportion between the freight earnings and the total earnings: Is that right?

A. Yes sir, that is right.

Q. In view of that, do you think it is fair to charge to freight when it earned only 52 per cent of the gross earnings, 65 per cent of the total expenses; or, in a year when it earned only 40 per cent of the gross earnings, 65 per cent of the gross expenses?

A. Yes, I think so.

Q. You think it is right?

A. Yes sir, I think 65 per cent is right. On account of the fact that the passenger earnings were heavier in 1904, and, as I said be-

fore, the operating expenses did not increase in the same proportion on the passenger business. One train can earn $100 on one day, and that same train can earn $500 on the next day, without one cent increase in expense.

Q. You earn your money on freight, don't you?

A. The figures will have to show that.

Q. I am asking you, as a general proposition, if your
5556 road, and every other road, does not calculate to earn most of its money on its freight business?

A. No sir.

Q. They do not?

A. No sir, not as a general proposition. In certain territories they may, but you cannot take it as a general proposition. Take it throughout the East, the passenger bus-ness *business* is very much heavier in some instances than the freight business.

Q. I will ask you if this book I hold in my hand is the printed annual report of the Directors of the Wabash Railroad Company to its stock-holders, for the fiscal year ending June 30, 1906?

A. Yes sir.

Q. In this report I find this statement, signed by Mr. Delano, the President of the Wabash Railroad, dated Septe-ber 30, 1906:

"The margin of profit at which passenger business is now done, is so very small considering the service demanded, that we must look largely to freight traffic for net revenue."

Do you agree with that?

A. I presume Mr. Delano had in mind——

Q. Do you agree with that—no matter what he had in his mind?

A. I do not think it is right to ask me the question whether I agree or disagree with the President of my road.

Q. I will withdraw the question.

5557 Q. According to statement exhibit 4 now in this case, your net earnings for the year 1905 in Missouri were $754,486.07 on your entire business. Your loss, according to calculations which have been made, and which you said before were correct, of the entire freight business in Missouri was $172,305.43: That you testified to before. And, therefore, you stated before, that your profits on business other than freight, during that year, was $926,791.50: Now, what were your earnings for the calendar year 1905, according to this statement, outside of your freight earnings?

A. For the whole system?

Q. Oh, no, for Missouri?

A. The total earnings in the State were $2,513,807.10 for the year 1905.

Q. Of which amount $926,791.50 was profit: Is that right?

A. I have no records showing that.

Q. Look at this paper (handing witness memorandum)?

A. I do not understand how you arrived at the profits.

Q. You say the expense of your freight business for Missouri for 1905 was 65 per cent of the total expenses; that is to say, 65 per cent of $4,534.330.29?

A. Yes, sir.

Q. Now, is 65 per cent of that $2,947,314?
A. You have some figures that probably I have not worked up.
Q. I think you testified about this before. On Exhibit 3 you have that worked out?
5558 A. Yes, sir, it is shown here (indicating Exhibit 3).
Q. Exhibit 3 shows your freight expenses to be $2,947,314.69?
A. That is right.
Q. That left you to the bad on the freight business $172,305.43, didn't it?
A. Yes, sir.

The MASTER:

Q. Is that 65 per cent?
A. Yes, sir.

Mr. LADD:

Q. Your net profit on the whole business was $754,486.07?
A. Yes, sir.
Q. So, your business outside of the freight business earned you a profit of $926,791.50: That is right, isn't it?
A. Yes, sir.
Q. If your freight expenses for that year were $2,947,314.69, how much did that leave you to carry on your other business? I mean, how much is left of your total operating expenses to carry on your other business with?
A. $1,587,000.
Q. What were your total earnings from sources other than freight in the State of Missouri during that year?
A. $2,513,000.
Q. What per cent is that part of the expenses to the earnings?
A. About 60 per cent.
Q. So that out of your freight business 40 per cent of your gross earnings was profit: Is that right?
5559 About forty per cent. Something less than forty per cent.
Q. That is a big profit, isn't it?
A. Well, off hand I do not know.
Q. Now, Mr. Tobin, you have been in the railroad business a good while. Would not forty per cent of the gross earnings be regarded as a big profit on the passenger business?
A. I would prefer not to answer off hand on that.
Q. You have not any opinion?
A. It probably would be in a normal year.
Q. Take the year 1905?
A. In 1905 we had considerable passenger business. That lapped over from the World's Fair, and that we would not get ordinarily. People who remained here and people connected with the World's Fair, who stayed here.
Q. When did the World's Fair close?
A. About the close of the year 1904.
Q. When did it close?

A. December 1st, I think.
Q. You think a lot of people stayed around here and spent the Holidays?
A. I know so.
Q. Enough to make any appreciable difference in the receipts?
A. I know it. There was a raft of business done around there that was on account of the World's Fair.

5560 Q. According to those figures you made a margin of forty per cent that year on your passenger business, during the calendar year 1905. Now, I will ask you if you would consider that a margin such as characterized by Mr. Delano as so very small?

Objected to by counsel for complainant.

Q. Would you consider that very small?

Mr. LADD: I am asking about the forty per cent, and not for you to contradict Mr. Delano now.
Mr. MINNIS: It is not to elicit a fact.
Mr. LADD: He has given me his opinion about the freight business. I want his opinion about it.

A. About the forty per cent?
Q. Yes. This is a big margin, isn't it?
A. It is a good margin.
Q. Would you regard 40 per cent as so small a margin as to compel you to resort to the freight business for your revenue?

Objected to by counsel for complainant.
The MASTER: That objection is sustained.

A. I would like to make one statement in connection with these figures Mr. Ladd is giving me. I am simply taking his figures as he has worked them up. I do not agree that those figures are correct. Mr. Ladd is including in the earnings, outside of freight earnings, a whole lot of earnings, such as switching earnings. Those figures he has given are not correct at all. Mr. Ladd is add-

5561 ing to the passenger business shown on Exhibit 4 the mail, express and miscellaneous. Now he is assuming that that mail, express and miscellaneous is all passenger, when it is a fact that a good part of that is miscellaneous freight earnings, and has no connection with passenger at all.
Q. But you apply the whole 65 per cent against freight, and leave only 35 per cent for the rest of it?
A. I am speaking about your percentages.
Q. Your figures leave 35 per cent for all the rest of the business, don't they, and that is all?
A. That is true, but you are now referring to the same figures, and asking me if I consider that 40 per cent is a large profit for it, and you are taking into consideration a whole lot of miscellaneous freight earnings, and applying them to passenger. I did not work out the figures, but simply assumed that from Mr. Ladd's statement.
Q. Is there anything wrong about the figures I have given you?
A. Yes.

Q. Point it out?

A. You have included in the $2,513,000 which you take as the basis to arrive at the profit on the passenger business, and you have included a lot of miscellaneous earnings, which do not belong to the passenger business at all.

Q. Is there anything wrong in the figures I have given you? You say you have not worked them up?

A. You are arriving at 40 per cent profit and in doing so you have included not only passenger, but mail and express earn-
5562 ings, and you have included miscellaneous freight earnings, demurrage, etc., which have not anything to do with passenger earnings and, therefore, you cannot use those figures to arrive at the profit on the passenger business.

Q. You do not mean to say that the figures I have given you this afternoon are incorrect, however, from an arithmetical standpoint?

A. No, sir, those are correct, but your assumption is wrong.

Q. You do apply the 65 per cent against the $2,775,009.26, don't you, as freight earnings?

A. Yes, sir.

Q. Therefore, the 35 per cent should be applied to the other two items of passenger and mail express and miscellaneous?

A. Yes, sir.

Q. There is no other place to apply it, is there?

A. No, sir, that is right.

Q. What was the expense for maintenance of way for the fiscal year ending June 30, 1906, per mile, in Missouri?

A. The cost per mile in Missouri for maintenance of way and structures for the year ending June 30, 1906, were $1,116.84.

Q. For the fiscal year ending June 30, 1906? It was $1,168.84?

A. Yes, sir.

Q. What was it according to your statements, for the calendar year 1905?

5563 A. $1,481.09.

The MASTER:

Q. That is arrived at by dividing the item five for 1905 on exhibit 4 by the mileage in Missouri, which is 654?

A. Yes, sir, that is right.

Mr. LADD: It is nearly three hundred dollars a mile more, according to your statement, in 1905, than it actually was for the calendar year ending June 30, 1906: Is that right?

A. Yes, sir.

Q. What was the average per mile according to your statement for the calendar year 1904?

A. $1,731.04.

Q. Being in the neighborhood of six hundred dollars a mile more than it was for the calendar year ending June 30, 1906?

A. Yes, sir, between five and six hundred dollars.

Q. Didn't you just state to the Master that was on a mileage basis?

A. Oh, yes. To arrive at the cost per mile you must take the

mileage and take the total expense, and that gives you the cost per mile.

The MASTER:

Q. By item 2 in Exhibit 4 the maintenance for way and tracks for the year 1905 was $968,000 and is shown by a note at the head of the same exhibit, the mileage was 654: So in order to be sure I asked the question if the sum he gave was arrived at by dividing the first figure by the last figure, namely the mileage?

Mr. LADD: How did you arrive at the figures 968,000,
5564 charged to Missouri for maintenance of way and track. You took, didn't you, 30 per cent of the total expenditure on the system for that purpose during that period, and charged it to Missouri?

A. I took a percentage. I do not know just what the percentage was, now; but we took a percentage that the actual expenses for the maintenance of road in Missouri bore to the total expenses of the whole system during that period.

Q. You mean the last six months of 1905?

A. Yes, sir.

Q. Let me call your attention to your testimony given before:

"Question: what was your ratio, etc.? for that purpose for the same period?

A. You mean what percentage?

Q. Yes?

A. It is about thirty odd per cent."

—. That is right?

A. If that is my evidence, yes, sir.

Q. Do you mean thirty and a fraction?

A. Yes, sir.

Q. That was correct?

A. Yes, sir. I had the figures available and I think they are correct. Thirty per cent I think is about right.

Q. And the same is true of 1904?

A. Yes, sir.

5565 Q. That is the way you arrived at it?

A. Yes, sir. For 1905 we had the actual six months for that year.

Q. How much of what was expended for additions, improvements, extraordinary repairs and renewals was included in the operating expenses of the system for the year ending June 30, 1904?

A. I will have to secure that data.

Q. Look at page 14 of the report of the directors for the last year?

A. This will not show (indicating end of report).

Q. I find it on page 14 of this report.

Previous question read to the witness.

A. $2,097,436.98.

Q. That report of your directors shown on that page states that, doesn't it? That amount, under the head or the footing of total

additions and improvements and extraordinary repairs and renewals included in operating expenses?

A. Yes, sir.

Q. If you charged 30 per cent of that, as you say you did, to Missouri, that would be six hundred thousand dollars, wouldn't it?

A. No, sir.

Q. Would not 30 per cent of two million dollars be six hundred thousand dollars?

A. Yes, sir.

5566 Q. You say you have charged 30 per cent of the total equipment to Missouri?

A. No, sir, 30 per cent of maintenance of way.

Q. Yes, maintenance of way and structures, I mean?

A. But this is not maintenance of way and structures. You have every expense of every kind in there.

Q. What is your expense of maintenance of way for 1904. See page 24 and 25 of the report for the year ending June 30, 1904?

A. I do not see any figures going to make up that two million dollars. It is probably compiled from data that is all through the book.

Q. Mr. Tobin, are you looking at page 24 and page 25 of the report of the directors of the Wabash Railroad Company for the year ending June 30, 1904?

A. Yes, sir, I am looking at those two pages.

Q. I will ask you if under the heading of "Summary extraordinary repairs, additions, renewals," it does not appear that the total sum of $1,924,040.72 was expended during that year for those purposes?

A. That amount is shown there but it is not shown as having been included in operating expenses.

Q. Look again at page 14 of the report for the year ending June 30, 1903, to which you have already referred, is there anything included in the sum of $2,097,436.98 which you have already mentioned, which would not be either maintenance of way and structures or maintenance of equipment?

5567 A. (After examining report:) It is maintenance of way and structures and maintenance of equipment.

Q. That was all charged to operating expenses?

A. It so states here, yes, sir.

Q. Although it was additions and improvements and extraordinary repairs and renewals?

A. It is properly chargeable to operating expenses.

Q. I am not asking you whether it is properly chargeable or not. It was all charged to operating expenses although it is for additions, improvements, extraordinary repairs and renewals?

A. That is what it is.

Q. You testified, I believe, that you charged to Missouri 20 per cent of the total expenditures for maintenance of equipments in Missouri: Is that right?

A. If those are the figures I testified to, yes, sir.

Q. Suppose half of it was for maintenance of way and half of it

for maintenance of equipment, that would strike an average of 25 per cent?

A. Yes, sir.

Q. And that would be $500,000 charged to Missouri, and that account, wouldn't it?

A. Yes, sir.

Q. Take the year 1905. What does page 14 of the report for the year ending June 30, 1906, show as to the amounts paid out for additions, improvements, extraordinary repairs and renewals, included in operating expenses?

5568 A. $2,169,277.28.

Q. That is all maintenance of way or maintenance of equipment, isn't it?

A. Yes, sir.

Q. And if we strike the same average of 25 per cent, there would be another $500,000 in round numbers?

A. Yes, sir.

Q. Which you have charged to Missouri as part of the operating expenses for the year 1905?

A. Yes, sir.

I want to confirm that statement there. You are taking fiscal years.

Q. I know there is a difference between a fiscal year and a calendar year.

A. There is nothing here to show how much of that two million dollars for the fiscal year ending June 30, 1904, was expended in the last six months of 1903 or the first six months of 1904.

Q. I know that.

A. Therefore, you cannot assume we have charged Missouri with two million dollars.

Q. We have two current fiscal years?

A. Yes, sir.

Q. And here we have two current calendar years?

A. Yes, sir.

Q. That would have some bearing on it, wouldn't it?

A. Yes, sir.

Mr. MINNIS:

5569 Q. What you have just said about the year 1904 would also apply to 1905?

A. Yes, sir, the same thing would apply to 1905. The only difference is that in 1905 we would take in both periods of accounting, the last half of 1904 and the first half of 1905. And in that event Missouri would be charged with its proportion in any case; but taking 1904, you go back six months that is not covered by this period of accounting.

Mr. LADD: Look at your next column on page 14. How much did you spend for the year ending June 30, 1906, and charge to operating expenses?

A. $1,785,450.74.

Q. Take the three years together, and it is an average of pretty nearly two million dollars a year, isn't it?

A. Yes, sir, something less than two million dollars a year.

Q. Suppose you had included in your statement Exhibit 4 $500,000 for maintenance of way and tracks, and we will say maintenance of rolling stock (which means maintenance of equipment, I believe), what part of that $500,000 does this statement charge to the intrastate traffic expenses?

A. 27.88 per cent for 1904.

Q. 27.88 of the 65 per cent?

A. 27.88 per cent of the 65.

Q. What would it amount to?

A. 18.12 per cent.

Q. What would it amount — in dollars?

A. About ninety thousand dollars.

5570 Q. So, if that is improperly included in operating expenses, your figures as to the expense of doing the intrastate traffic for the year 1904 are 90 thousand dollars too much, is that right?

A. If it is improperly included?

Q. Yes?

A. Well, we claim it is properly included.

Q. Oh, Mr. Tobin, answer the hypothetical question: If it is improperly included you have increased your operating expenses to that extent?

A. If we have included $500,000 in operating expenses which is improperly included, that is true.

Q. You have undoubtedly included about five hundred thousand dollars, in round numbers, haven't you?

A. I do not admit that we have, no, sir.

Q. This report shows that an average of two million dollars was expended by the company on the system for each one of those two years. Your testimony already shows that you charged to Missouri 30 per cent of the total outlay for maintenance of right-of-way, and 20 per cent for maintenance of equipment, and an average of that, suppose half was on one account and half on the other would be 25 per cent; so that would be a charge of $500,000, in round numbers, to Missouri of that two million dollars, in each year, wouldn't it?

Mr. MINNIS:

Q. Each fiscal year?

A. If those figures you quote are true, the answers are all right.

5571 Mr. LADD: The figures in the report, you say?

A. There is no question but the figures in the report are true. In one case we are dealing with fiscal years and in the other with calendar years. Assuming these figures apply to straight calendar years, those figures are correct. And assuming the figures are improperly charged.

Q. Take it on the same supposition, how much is improperly charged to intrastate freight traffic for the year 1905, in your statement?

A. On the same theory, the figures for 1905 would be $84,000.

Q. 84,000 less; Is that right?

A. Yes, sir.

Q. Now, Mr. Tobin, for the fiscal year ending June 30, 1906, what was the average expenditure of the company per mile on its system, for maintenance of way?

The MASTER:

Q. Before going to that, Mr. Tobin: Assuming the correctness of the hypothesis submited by Mr. Ladd, that is to say, the incorrectness or unfairness, or illegality of charging this average of $500,000 a year to maintenance of way and structures, it would wipe out, wouldn't it, that item alone, the whole of the deficit which your Exhibit 2 shows was sustained for the year 1905 on the intrastate business, or something like half of the deficit shown in the same exhibit for the year 1904?

A. That is right, yes, sir. It would reduce one $90,000 and the other $84,000.

5572 Mr. LADD:

Q. Now, please turn to page 12 of this same report for 1906, Mr. Tobin, and state what the average cost per mile of the entire system was for maintenance of way for the fiscal year ending June 30, 1906?

A. $983.46 per mile.

Q. Mr. Tobin, you testified that this statement, Exhibit 4, for the year 1904, charges Missouri for maintenance of way and track $1,132,164.38, which you have said is an average per mile of $1731.14: Now, if you have charged against Missouri for that year the average per mile expended on the same account by the system for the year ending June 30, 1906, to-wit: $983.46, that would have been a difference of $747.68 per mile, wouldn't it?

You charge in 1904, in this statement, $747.68 a mile more for maintenance of way and structures than the average for your system for the last fiscal year?

A. That is correct.

Q. Suppose you had charged in 1904, in your statement which you have rendered here $983.46 per mile on account of maintenance of way and structures, instead of the amount you do charge, how much less would that amount which you have charged against Missouri be?

A. $488,981.54.

Q. If you had done that, how much less would the expense chargeable to intrastate freight have been?

A. $88,603.

Q. Mr. Tobin, I wish you would take the figures for 1905, for which you charge maintenance of way and tracks $968,-
5573 635.55: You have stated before that the charge to Missouri for the year 1905 on that account was at the rate of $1481.09 per mile?

A. Yes, sir.

Q. If you will take the trouble to figure out what difference it would have made if you had charged Missouri $983.46 per mile instead of $1481.09?

A. $54,675.

Q. That is to say, how much less operating expenses charged to intrastate profit would have been than they are now, according to your statement for the year 1905?

A. $54,675.

Mr. MINNIS: The figures represent the intrastate, and really do not answer the first question.

Mr. LADD: I want to offer in evidence, in connection with this testimony, the opening sentence of the report of the directors of the Wabash Railroad Company for the fiscal year ending June 30, 1905.

Mr. MINNIS: I object to offering a sentence from a report.

The MASTER: You may read such portion of that paper as you desire to be taken into the record, and if counsel on the other side wishes the whole report introduced, he may introduce it in evidence.

Mr. LADD: It reads as follows: "The report for the year ending June 30, 1905 *us* submitted herewith, and while showing a large increase in gross earnings ($1,672,973.47) it also shows an increase in operating expenses of $2,819,935.70 or a decrease in net earnings of $1,146,962.23; but an analysis of the extraordinary expenditures charged direct to operating expenses will fully explain the decrease."

5574 Mr. MINNIS: I move to exclude that, because you cannot get into a record a document by reading a sentence from it. I move to exclude that because it was not read by any witness and was not read from any document admitted in evidence, and is merely read by counsel, and cannot be evidence. I object to its being considered as evidence. If counsel wants to offer the book and say it refers to that, that is a different question. I do not know whether that is in the book or not, or anything about it.

The MASTER: The objection is overruled.

Mr. LADD:

Q. Mr. Tobin, I will show you this book from which I have just read, and ask you if that is the 16th annual report of the directors of the Wabash Railroad Company for the fiscal year ending June 30, 1905, and if that was printed by your company?

A. (After examining book.) Yes, sir.

The MASTER: The witness has already identified that report, and it has been referred to without objection, that it was what it purported to be. I will assume that counsel has correctly read that portion which has been incorporated into the record, and will overrule the objection.

Mr. MINNIS: I make the objection that there is no evidence that that was in the report.

Mr. LADD: Now, I will read——

Mr. MINNIS: I object to it.

The MASTER: If there are any other portions of that docu-
5575 ment which counsel also desire to have incorporated into this record, you may call the attention of the Master to it, and it will be so incorporated. I do not care to encumber the record with the whole of that report.

Mr. MINNIS: It seems to me he could refer to it in his argument.

Mr. LADD: I wish to state that the excerpt is found on page 3 of that report.

I also offer from the report of the directors of the Wabash Railroad Company for the fiscal year ending June 30, 1906, the following paragraph on page 7——

Objected to by counsel for complainant.

Objection overruled.

Mr. MINNIS: Let him read it from the book. It will all be offered in evidence. He need not put it into the record.

Mr. LADD: This is the report for the last fiscal year——

Mr. MINNIS: If he is going to make a brief, I see the purpose of it. It will necessitate my reading the excerpts I want, so when we have the record we will have our brief.

The MASTER: You can do as you like about it. If counsel desires to have incorporated in the stenographer's report certain passages, it is perfectly proper he should do so, and you may read what you like.

Mr. MINNIS: Counsel cannot read into the record this,
5576 that or the other. We must have the intrinsic document.
The intrinsic document is not here, and that is why I object to it. It is simply making a brief out of this record. I submit Your Honor never knew of a record being made like that.

The MASTER: How is he going to call my attention to a large part of these special documents he holds in his hand, unless he reads it?

Mr. MINNIS: I believe you will agree with me that there never was a document read in court as evidence until that document was first offered in evidence. My objection is that you are allowing counsel to read into the record something that has not been offered in evidence.

Mr. LADD: I offer the excerpt. I do not know whether I made a formal offer of it. I said I would read it. I do now offer the excerpt I read from page 3.

The MASTER: I took it for granted you are offering it when you read it.

Mr. MINNIS: Then, as I understand, he offers page 3 of this annual report. That is the way to do it.

The MASTER: I took it for granted that Mr. Ladd was offering in evidence what he was reading in the hearing of the Master.

Mr. MINNIS: I wanted him to offer in evidence the document, so the document will be here and connected with the other parts of the evidence.

Mr. LADD: I also offer in evidence the following paragraph
5577 found on page 7 of the annual report of the directors of the Wabash Railroad for the fiscal year ending June 30, 1906, the paragraph reads as follows:

"Expenditures for Maintenance of Equipment and Maintenance of Way have also diminished, but the stockholders may be assured that the property has been fully maintained, and that economies have been made either by the employment of better methods or where appearances could be sacrificed for actual necessities."

Mr. LADD: I also offer in evidence the table on page 12 of the same report headed, "Cost per mile, Maintenance of Way and Structures."

Mr. MINNIS: I object to counsel presenting his argument in connection with the cross examination of Mr. Tobin.

The MASTER: I presume counsel desires now to read something that has some relation or bearing upon the matter by the cross examination of this witness, and if so it would be very desirable to have it incorporated into the record at this time.

Mr. MINNIS: That is not his object. If I were to re-examine Mr. Tobin on the same theory, we would present all our arguments to your Honor that we should present in our briefs.

The MASTER: The objection is overruled.

5578 Q. Mr. Tobin, I will ask you to look at page 14 of the report for the fiscal year ending June 30, 1906, and state whether during that year $1,108,383.58 was not expended for additions and improvements to way and structures, and charged to operating expenses?

A. Yes, sir.

Q. And at the same time I will ask you if the average per mile for maintenance of way and structures was only $983.46?

A. No, sir.

Q. Look at page 12 and see if you will stick to no or not?

A. I have it. (After examining report) It is $1235.11 per mile. I want to say right now that all these calculations I have made this afternoon are all wrong. And I have made them at Mr. Ladd's request. He is assuming $983.46 for the year 1906 and the report shows it is $1235.11.

Q. Didn't you state it was $983.46?

A. No, sir, that excludes the additions and improvements.

Q. But am I any more to blame than you are?

A. I used your figures.

The MASTER: If Mr. Ladd made a slip of the tongue, it is a very natural mistake.

A. The figures I have been figuring on this afternoon I based on $983.46, and they are all wrong.

Mr. LADD:

5579 Q. The sum of $983.46 has been referred to as the average per mile for the maintenance of way and structures for the year ending June 30, 1906: Now, what is the amount expended during that year per mile for the maintenance of way and structures, including additions and improvements?

A. $1235.11 per mile.

Q. That all appears in the same table on page 12, doesn't it?

A. Yes, sir.

Q. If additions and improvements and extraordinary repairs and renewals have been improperly included at any time, in operating expenses, upon that assumption your figures which you have made this afternoon and have testified are correct, aren't they?

A. Yes, sir.

Mr. LADD: I will offer in evidence page 14 of the report for the fiscal year ending June 30, 1904.

The report referred to is in the words and figures following, to-wit:

5580 Mr. LADD:

Q. When we were here before, Mr. Tobin, I asked you how much you charged to operating expenses in 1905 for the purpose of creating a fund for the purpose of new equipment, which was not used in 1905, for Missouri?

A. There was $300,000 charged to operating expenses for the whole system, in December, 1905, for new freight cars.

Q. Was that spent in 1905?

A. Well, I don't know just now what you mean by "spent in 1905."

Q. You said that amount was appropriated?

A. Yes, sir.

Q. Was it actually expended during that year?

A. No, sir, it was not expended in 1905.

Q. How much of that was charged to Missouri in this statement, 20 per cent?

A. Yes, sir. I have not the figures here, but possibly 20 per cent.

Q. I understand you to have stated some time ago that you charged to Missouri in this statement 20 per cent of the total expenditures for maintenance of equipment?

A. Wasn't it 30 per cent?

Q. Maintenance of way and structures, was 30 per cent?

A. Yes, sir, that is right. 20 per cent would be about right.

Q. As a matter of fact, wasn't 28 per cent of that particular item apportioned to Missouri, instead of 20 per cent?

—. ——.

5581 Q. That is all, is it?

A. Yes, sir.

Q. Are those amounts included in any of these statements you have rendered here?

A. No, sir, they are not.

Q. None of them?

A. No, sir.

Q. How much of that "For rent of track to the St. Louis, Kansas City and Colorado Railroad" is for rent of track?

A. That is straight rental. It is all for rent of track, exclusively.

Q. And "Missouri & Louisiana Railroad $2500"?

A. That may be rental and maintenance. That rental may include the maintenance, but I think it is all rental. Frequently contracts are made at so much per month or per annum, to include rental and maintenance. But in this case I think it is safe to assume it is all rental.

Q. The item in each year you mention as "St. Louis Rentals:" What is that for?

A. The principal part of that is rental we collected on property

on which our Fourth Street station is now located. This property was purchased and we issued terminal bonds to cover the purchase. We bought the property from time to time and until we got all of the property purchased and were ready to put up the station, we rented the property to the people who were in it at the time of the purchase, and this is the rental received from that property,
5582 in the main. Nothing in connection with the operation of the road, but property bought, for which we were paying interest on bonds.

Q. Have you deducted from your charge for maintenance of way and structures any of these amounts you have received for the use of your tracks?

A. In the operating expenses?

Q. Yes?

A. No, sir, these are income accounts. We have not included in our operating expenses any income account charges or credits, either way.

Q. What is this $30,000 you received from the St. Louis, Kansas City & Colorado Railroad?

A. That is income account. That is rent of track. It is interest on the valuation of the property.

Q. You have to maintain that track, do you?

A. Yes, sir.

Q. And that right-of-way?

A. Yes, sir.

Q. Isn't it fair to credit in such a proceeding as this, to the charge for maintenance of way and structures, the amount you receive for the use of that way and structures?

A. No, sir, not by any means.

Q. And is not the same true about the $25,000 you received from the Missouri & Louisiana Railway Company?

A. No, sir, neither one is a maintenance.

The MASTER:

Q. Why not, Mr. Tobin?

5583 A. It is rental. It is an income account. It is based upon the valuation of the property.

Q. It increases the income upon the property just that much?

A. Yes, sir. But it is not an operating expense. It has nothing to do with the maintenance of the property or the operation of the property. It is the property itself. There is no more reason why you should take in this, than you should take in interest on the bonds.

Q. In order to receive that rent you have to keep it maintained for the proper use for your tenant, don't you?

A. Yes, sir, but they pay for that. The St. Louis, Kansas City & Colorado Railroad pay for the maintenance.

Q. Outside of the rental?

A. Yes, sir. This is pure rental. The maintenance is in here (indicating).

Q. The amount you receive from the St. Louis, Kansas City &

Colorado Railroad for the specific purpose of the maintenance of the track, is not included: Is that right?

A. Yes, sir. That is an operating expense.

Mr. LADD: Is the cost of maintenance of that track included in your item for maintenance of way and structures?

A. Yes, sir. The cost to maintain it.

Q. How much of your track does the St. Louis, Kansas City and Colorado road use?

A. About four miles.

Q. Who maintains that track?

A. The Wabash Railroad Company.

Q. And pays for the maintenance.

5584 A. We maintain the track and pay for it——

Q. Are the expenses of maintaining that track included in your general account of maintenance of way and structures?

A. Yes, sir.

Q. And 30 per cent of that general amount for maintenance of way and structures is charged to Missouri in these statements here?

A. No, sir. We make a bill against the St. Louis, Kansas City & Colorado Railroad for their wheelage proportion of the maintenance, which they keep up, and that is deducted from the maintenance of way and structures that I have reported here.

Q. Do you mean to say that the Wabash maintains that way which the Rock Island road uses or the St. Louis, Kansas City & Colorado road uses, four and one-half miles?

A. That is right.

Q. The expense of that maintenance goes into your general maintenance of way account of the system?

A. Yes, sir.

Q. You have already said that in these statements which are handed in here, you charge to Missouri 30 per cent of the total charge for maintenance of way and structures?

A. Yes, sir.

Q. That is right so far?

A. Yes, sir.

Q. Do you mean to say that the expense of maintaining that four and one-half miles was deducted by you when you got up

5585 these statements to put into court in this case?

A. The St. Louis, Kansas City & Colorado portion is deducted. We still maintain our proportion, just the same as any other part of the main track. The St. Louis, Kansas City & Colorado road paid their proportion of the maintenance of track and their proportion of operating expenses.

Q. About these St. Louis rents, $125,000 in one year and $108,000 in another year, what did you say those are for?

A. The greater proportion of these are from rents on property that we purchased for the purpose of building the Fourth and Franklin station.

Q. What kind of property is it?

A. It is now station property. At that time there were a lot of produce houses in there. When we purchased this property we pur-

chased it for the purpose of building a station there. We have been purchasing this property for three or four years.

Q. Where is it?

A. It runs on the east line of Broadway between Franklin avenue and Carr streets about two blocks, and runs through to Second street. It takes in practically two blocks each way. When we purchased that property we purchased it for the purpose of building a station.

Q. Were there some houses on it?

A. Yes, principally produce houses, and this is the rental collected from those produce houses. When we bought the property we issued bonds to pay for it, which went into the income
5586 account. These rents we collected to the credit of the same account.

Q. You pay taxes on that property, do you?

A. Yes, sir, we pay taxes on the property, I think. At least, we do now, because there is a station there now.

Q. Are those taxes included in his statement?

A. I don't know. I can find out.

Q. I wish you would.

—. Do you think you put the repairs on those houses?

A. No, sir, I think not. Because if there were any repairs it was very little and my impression is that what repairs there were was charged to the same account. It was not an operating expense and therefore was kept out of that account. I do not think we made any repairs, because they were old buildings and we were ready to tear them down as soon as we got all the property on the two blocks. When we bought a piece of property we allowed the tenants who was in there to remain until we were ready to tear down all the buildings.

Mr. MINNIS: I would like to explain just the relation of that property and I will bring over the paper to do so.

5587 Mr. LADD: I asked you some time ago whether you paid the taxes on the Hannibal bridge to Missouri, or any part of it, and you said you did, and you said you would examine to see whether you had included those taxes in the statement of taxes which was rendered here as part of your expenses?

A. Yes, sir.

Q. Were they included?

A. The Hannibal bridge taxes paid to Marion County, Missouri, are included.

Q. How much do they amount to?

A. For 1904, $4183.97, for 1905, $4530.11.

Q. That is all the taxes you pay? Don't you pay any taxes direct to the State?

A. No, sir, I don't believe we pay any taxes to the State of Missouri. We pay it all to the counties and they make the distribution.

Mr. MINNIS: The taxes are assessed by the State Board, and then paid to the counties.

Mr. LADD:

Q. If you say that is all the taxes you pay on the bridge in the State, that is what I wish.

A. That is correct.

Mr. KENNISH: You pay it to the county, and that includes State and county taxes?

A. I presume they make the distribution to the State. We pay it to the county, and they make the distribution.

Q. I asked you this morning if you would bring in the reports you make to the different States.

A. I am getting that up.

5588 Q. You did not have to make copies?

A. I left instructions to have them gotten out.

Q. You volunteered here this morning a statement as to your expenses in Missouri, for the months of July, August and September, 1906, and the percentage which the expenses of the freight business for those three months bore to your total operating expenses in this State: I ask you now if you will give me a statement of your total earnings in this State for those same three months, and your freight earnings in this State for the same period?

Mr. MINNIS: That is objected to. He did not volunteer anything. What he said was in reply to a question of Mr. Ladd. He asked him what was his basis for 65 and 35, and did he get the figures for myself and for him. The witness did not volunteer anything.

The MASTER: It is wholly immaterial whether he volunteered it or not. The question is whether he can furnish the other side of that account.

Mr. MINNIS: He can furnish it but he tells me it will take four to six weeks to work out the division of earnings by States, but he does the expenses.

The MASTER: It will require three months to get all the data from which this question can be answered?

A. It will require from four to six weeks to get that data. It will require going through all the way bills.

The MASTER: I will not require you to do it.

Mr. LADD: I do not want it from the way bills. I want

5589 it from the record.

The MASTER: Can you get it from the records?

A. Perhaps I can give some close figures from the statistical reports.

Q. Give it as close as you can from the records.

At this point, the usual hour of adjournment having arrived, an adjournment was taken until December 14, 1906, at 10 A. M.

ST. LOUIS, MISSOURI, *December* 14, 1906.

Met pursuant to adjournment as above on Friday, December 14, at 10 o'clock A. M. at the federal building in the City of St. Louis, Missouri.

Present: Parties as before.

The following proceedings were had:

The cross-examination of Mr. TOBIN continued.

By Mr. LADD:

Q. Mr. Tobin, I telephoned you this morning to bring over here the books kept by your company for the month of December, 1905, and June, 1906, being sheets bound, and being the same papers which as I understand you, are called statistical figures: Have you got them here?

A. I have sent for them and they will be here in a short time.

The MASTER: You mean original sheets?

5590 Mr. LADD: Yes. They are bound up in books.

Q. It appeared in your testimony that there has been made certain additions amounting in round numbers to about $200,00- or $205,000: Can you state this morning what those deductions were, on what account?

A. The figures are not compiled yet. I am having them compiled now.

Q. You cannot state that?

Q. I will be able to state it later in the day. The figures are being compiled now and it will take some little time to do it.

Q. What were the net earnings of the Hannibal bridge for each of the calendar years 1904 and 1905?

A. I got the waybills from the list to compile these figures, and they are now being compiled and I will have those later in the day. Some of the figures you asked for in the testimony yesterday I have here, and others are on the way.

Q. At the hearing here two or three weeks ago you spoke of the resolutions of some body of accountants, or some of the railroad officials, in regard to the method of keeping accounts. I asked you for a copy of those resolutions, have you those?

A. Yes, sir, it is entitled "Copy of resolutions adopted at a meeting held in New York April 9, 1906.

The MASTER:

Q. A meeting of whom, or what body?

A. It was a meeting of the legal and accounting depart-

5591 ments of the railroads operating in the State of Ohio, such as the Baltimore & Ohio, the Pennsylvania, and other railroads.

Q. In which, as I remember, the Wabash Railroad Company participated?

A. Yes, sir.

Mr. LADD: I will offer in evidence this copy of resolutions.

The paper referred to is marked defendant's Exhibit 7.

The paper marked Exhibit 7 is in the words and figures following, to-wit:

5592 Mr. LADD:

Q. Did you conform your method of accounting to these resolutions?

A. Those resolutions are mere recommendations.

Q. I asked you if you conformed your method of accounting to these resolutions?

A. No, sir, we have not. We have not agreed to them, yet. They have not been agreed to by the members of that conference, as I understand it.

Q. I understood you to say, and if you did not I hope you will correct me, that one reason you changed your system of keeping your accounts on the 1st of July of this year, was the adoption of these resolutions by this conference held in April, 1906?

A. That is one of them, yes, sir. That called our attention to the fact that we were coming to it, and that we would have to keep the earnings separate. And I believe the day will come when we will be able to keep the local and interstate separate, accurately.

Q. But you are not doing it now?

A. We are doing it, yes, sir.

Q. I ask you if you have conformed to this resolution, or endeavored to do so?

A. Yes, sir. We are keeping the local and the interstate earnings separately. That resolution covers more than the earnings. It covers the expenses. Is that what you refer to?

Q. Yes?

A. No, sir.

5593 Q. You are not trying to do that?

A. No, sir. You must first determine the cost of doing the local business before you can attempt to keep the expenses separate.

Q. Who were the men who composed this body that adopted these resolutions. I do not mean their personality but what was their positions?

A. The legal and accounting representatives of the leading railroad companies, such as the Pennsylvania the Baltimore & Ohio, the Big Four, the Lake Shore, the Wheeling and Lake Erie, and others. I think there were fourteen roads that operated in the State of Ohio.

Q. Were you present?

A. I was represented. The meeting was held in New York and I had an engagement here and could not attend.

Q. The Wabash was represented?

A. Yes, sir, the Wabash was represented.

Q. And the accounting officers of these different roads were represented?

A. Yes, sir, they were all there.

Q. And these resolutions were adopted?

A. Yes, sir.

Q. And they thought these resolutions could be complied with, did they?

A. That is a question.

Q. They adopted the resolutions, didn't they?

A. Those resolutions are a recommendation that the thing be done. Now, after the recommendation follows the question,

5594 "Can you do it?" Now, they cannot do it until it is determined, as I said before, what is the cost of doing the local

business. You first have got to determine upon some method before you can keep your accounts. First get your formula.

Q. Mr. Tobin, listen to this, please (counsel reads): Resolved, That we recommend to our accounting officers that separate accounts be kept from April 1, 1906, in the several States through which our respective lines are operated, showing the local passenger and local freight earnings in each State and the expense of conducting each class of business in each of the several States."

That was a resolution of that body of accounting officers, was it?

A. Yes, sir, that is true.

Q. Of the accounting officers of the several companies and among others, your company?

A. Yes, sir, that is right.

Q. Do you think they would recommend it if they did not think it a practical thing?

A. Certainly not. And, as I said before in this testimony, we are trying to keep the local earnings separate.

Q. Yes, but the expenses, too?

A. You have not said anything about expenses.

Q. I will read it again (Counsel here reads): "Resolved, that we recommend to our accounting officers that separate accounts
5595 be kept from April 1, 1906, in the several States through which our respective lines are operated, showing a local passenger and local freight earning in each State and the expense of conducting each class of business in each of the said several States."

A. Then that is followed up by the last clause of that resolution which provides as to how the expenses shall be separated. As I said before, before you can separate any expense you must first determine what is the proper method of making the separation. We have not attempted to do it.

Q. You have not tried to comply with that resolution?

A. Yes, sir, we have.

Q. Then where is your showing for the expenses of doing the local business?

A. I stated we were keeping the local and interstate earnings separately.

Q. I am not talking about earnings but about expenses?

A. You are talking about both. You are talking about that resolution.

Q. I know what I am talking about this moment, Mr. Tobin. Where is your showing of the expense of doing the local business?

A. I have stated before, we do not attempt to do it.

Q. You do not do it?

A. We have not an established method for doing it. We do not know what the cost is.

Q. You say it cannot be done, do you?

5596 A. I say it can be done, if it is determined what is the cost of doing the local business, over and above the through business.

Q. This recommends that your accounts be kept and that such accounts shall show the expense of conducting each class of business

in each of the said several States: Have you made any effort to do that?

A. For expenses?

Q. Yes, sir.

A. No, sir. I might add to that, while I do not know, I do not believe any one of the fourteen roads are keeping it so, because, they must first get the data to keep it. This (witness produces paper) is a copy of the resolutions passed at the same meeting. It reads "Whereas——"

Q. Is that another resolution?

A. Yes, sir.

Q. Let me see it before you read it, please.

The MASTER: The paper referred to is filed and marked Defendant's Exhibit 8.

5597 Mr. MINNIS:

Q. Do you want to make any explanation of why you did not keep the State and interstate separate by States?

A. Because we have no data. I do not think we have any evidence produced or figures worked up to show, up to date, what is the cost of doing the local business.

Q. You have not determined that basis yet?

A. No, sir.

The MASTER:

Q. In your opinion as a railroad accountant, the carrying forward of that resolution, or putting it into effect in the practical operation of a railroad, and in so far as the resolution appertains to keeping the expenses separately, is impracticable? Is that the idea?

A. To determine the cost of doing the local business.

Q. Keeping the expense of conducting the local business in the several States through which those roads are operated, separately?

A. I should say that on account of the immense cost that would be involved in keeping them separate, it would be impracticable to do it.

Mr. MINNIS: May I ask a question in that connection?

The resolution contemplated the operating department establishing some ratio between the expense of conducting local and through business?

Mr. LADD: I would prefer you should not reexamine Mr. Tobin at this time.

5598 The MASTER: If objection is made I will have to sustain it.

Mr. MINNIS: I permitted him to interrupt me, without any objection. —

Mr. LADD: Go on, I will withdraw my objection.

Mr. MINNIS:

Q. I say the resolution, exhibit 7, contemplated that the operat-

ing officers would determine some ratio between the expense of conducting local and through freight business?

A. I think that was the object.

Q. If that was determined, it would be possible to keep the earnings separately?

A. Yes, sir, if you could determine upon the ratio undoubtedly it could. But the question of determining the ratio is an important one.

Mr. LADD:

Q. You gave me yesterday the freight earnings in Missouri for the fiscal year ending June 30, 1906: What were the total earnings in Missouri for that period?

A. The total earnings for Missouri as prepared for statistical purposes, for the year ending June 30, 1906, were $5,792,972.42.

Q. Of that amount, what were the passenger earnings?

A. $1,882,885.02.

Q. What were the mail, express, and miscellaneous earnings for that same period?

A. $644,376.27.

Q. What percentage of the total freight earnings?

5599 A. 56.37 per cent.

Q. You say the percentage of freight earnings to total earnings for that period was 56.37 per cent: is that right?

A. That is correct.

Q. What was the percentage of freight expenses to total operating expenses during that same period for Missouri?

A. 59.52 per cent.

Q. Mr. Tobin, have you a letter among your papers here, addressed to you by Mr. E. B. Pryor, who, I believe, is one of your vice-presidents, dated St. Louis, January 30, 1906, regarding an appropriation of seven hundred thousand dollars, made by the board of directors of the Wabash Railroad Company?

A. No, sir, I have no such letter here.

Q. Will you bring it in here?

A. Yes, sir.

Q. Perhaps if I show you a copy, you can identify it as a copy of said letter.

(Counsel here hands paper to witness.)

The MASTER: Do you recognize the paper shown you as a copy of such a letter received by you?

A. I think it was furnished by myself to Mr. Taliaferro is my impression.

(Witness here examines letter handed him.)

That I believe to be a copy of the letter. However, I would prefer to furnish a copy from my files.

Mr. LADD: I want to introduce this letter, but will ask, Mr. Tobin some questions about it, assuming it to be a

5600 correct copy.

The MASTER: Have you any objections, Mr. Minnis, to

the witness being interrogated about the letter, assuming this to be a correct copy?

Mr. MINNIS: I understand the point in the letter to be about an appropriation of three hundred thousand dollars?

A. And I believe that to be a copy of the letter.

Mr. LADD: I propose to offer this in evidence, and if Mr. Tobin finds there is any change to be made, it can be changed accordingly.

The MASTER: The letter referred — is introduced and read in evidence, subject, however, to correction if errors be discovered upon comparison with the original.

The letter referred to is marked Defendant's Exhibit 9.

Said letter is in the words and figures following, to-wit:

5601 Mr. LADD:

Q. Who is Mr. E. B. Pryor?

A. The fourth vice-president of the Wabash Railroad Company.

Q. After that, was there another appropriation of one hundred thousand dollars for the purchase of new equipment during that same fiscal year?

A. I cannot answer that off hand. I can determine from the records but I cannot carry all these figures in my mind.

Q. How much of the three hundred thousand dollars which you were directed to charge to operating expenses was charged to operating expenses in Missouri?

A. $84,780.

Q. Of that amount of $84,780 is included in the amount which you gave us yesterday as the operating expenses in Missouri for the fiscal year ending June 30, 1906?

A. You can put in the amount if you wish, $4,075,000.

Q. $4,075,000?

A. Yes, sir.

Q. I had supposed that another one hundred thousand dollars was appropriated for a similar purpose, by the directors, for the purchase of new equipment, later in that same fiscal year: You say you are unable to state about that?

A. No, sir, I do not know. I can tell you from the records.

Q. Will you look that up?

A. Yes, sir.

5602 Q. Suppose that $84,780 had not been included in your operating expenses for that year, what would your figures which you have given me this morning, of 59.52 per cent have been? How much less?

A. That is upon the assumption that it should not?

Q. Upon the assumption that it had not been. Suppose the $84,780 had not been included in your operating expenses: How much less would the 59.52 per cent which you have just mentioned as the ratio of freight expenses to total operating expenses in Missouri for that period have been?

A. A little less than one per cent.

The MASTER:

Q. What would the per cent have been?
A. To be accurate, eighty-seven one hundredths of one per cent.

Mr. LADD:

Q. What would the final result have been?
A. 58.65 per cent for freight, instead of 59.52 per cent.
Q. Assuming that another one hundred thousand dollars, later in the year——

Objected to by counsel for complainant on the ground that that gets real figures on tabulations.

Mr. LADD: He will come in today and say that one hundred thousand dollars is in. I know he will.

The MASTER: Proceed.

Mr. LADD:

Q. Assuming another one hundred thousand dollars was appropriated, which Missouri's proportion was larger than its share, by what fraction would that last percentage be reduced, approxi-
5603 mately?

A. I cannot answer that question because I do not know how much of that one hundred thousand dollars was charged to Missouri, if there was any.

Q. Mr. Tobin, I wish you would look at page fourteen of this annual report of the directors of the Wabash Railroad Company for the last fiscal year: Under the head of "Additions and Improvements included in operating expenses," and under the particular column headed "Year ending June 30, 1906", among the items making up the total of $1,108,383.53, which was referred to yesterday, you see an item "Appropriation for new equipment, four hundred thousand dollars": You see that?

A. Yes, sir.

Q. Now, if it be a fact that one hundred thousand dollars was afterwards appropriated in addition to the three hundred thousand dollars which this letter of Mr. Pryor's referred to does the four hundred thousand dollars mentioned in that table on that date represent those two appropriations?

A. I would prefer to refer to the books and see. You have asked that question and I am going to find out.

Mr. LADD: I should like the Master to see that item.

The Master here examines the annual report referred to.

Mr. LADD:

Q. Mr. Tobin, you have already given me the freight earnings in Missouri for the last half of 1905: Now, will you please
5604 give me the passenger earnings for that period?

A. From these statistical records?

Q. Yes?

A. I will get it for you.

Q. Also the earnings from mail, express and miscellaneous for he same period?
A. I will get it.
Q. This morning you have stated that the earnings under the ead of mail, express and miscellaneous for the fiscal year ending une 30, 1906, were $644,676.27?
A. Yes, sir.
Q. Can you give me a sub-division of that, of any kind?
A. How far do you want to go on that?
Q. I would like to know about switching?
A. Yes, sir.
Q. Are you prepared to do that now?
A. No, sir, it will take some time to work it up.
Q. Can I have it this afternoon?
A. I will try to get it at noon.
Q. It is suggested to me to ask you to divide it between freight, iscellaneous and passenger miscellaneous, just as you did in some her cases?
A. To show mail and express earnings separately?
Q. Yes?
A. Very well. I am going to give you a statement showing the amount of mail earnings, the amount of passenger earnings, 05 the amount of miscellaneous freight earnings, the amount of miscellaneous passenger earnings, included in the $644,000. Now, do you want a subdivision of miscellaneous freight, between itching, demurrage, etc.? I can give you all you ask for, but it merely a question of the time it will take to prepare it.
Q. What were the gross earnings of the system for the calendar ar 1905?

Mr. MINNIS: As shown by the statistical records?
Mr. LADD: I don't care how he shows it.
Mr. MINNIS: If he wants actual figures we will endeavor to get em, but if he wants them from the statistical records we will give em.
The MASTER: That distinction fully appears all through the wit-ss' testimony. I don't know whether that particular question has ference to the statistical records spoken of or not.
Mr. MINNIS: I would like to have it understood whether it is ked for as shown by the statistical records, or actually?

A. We have the actual figures on that. We compiled those figures anticipation of the questions being asked. I have a lot of figures mpiled, in order to save time, and some of those questions have en asked, while others have not.
The total earnings of the Wabash system for the calendar year 05 were $23,579,266.42.
Q. How much was freight?
06 A. $14,590,770.94.
Q. How much was passenger?
A. $6,817,468.35.
Q. How much was mail, express, etc.?
A. $2,171,027.13.

Q. I would like the total operating expenses of the system for the calendar year 1905?

A. The total expenses for the Wabash system for the year 1905 were $18,604,064.19.

Q. How much of that is for freight?

A. The total freight expenses for 1905 were $11,967,045.73.

Q. How much were the passengers expenses, and I understand that passenger expenses include everything outside of freight expenses: That is right, isn't it?

A. Yes, sir. $6,637,018.46.

Q. I see another question which I asked you:

The gross earnings of the system for the fiscal year ending June 30, 1906?

A. $25,015,378.70.

Q. How much was freight?

A. $16,438,466.18.

Q. How much was passenger?

A. $6,723,658.43.

Q. How much was mail, express, etc.?

A. $2,153,254.09.

Q. What were the total operating expenses of the system
5607 for the fiscal year ending June 30, 1906?

A. $18,077,887.35.

Q. How much of that was for freight?

A. $11,817,163.51.

Q. And how much for the other branches of the service?

A. $6,260,723.84.

Q. You stated yesterday, didn't you, *that* the operating expenses in Missouri for those three months, July, August and September, 1906?

A. I think not. I think I gave you the percentage of freight operating expenses.

Q. In Missouri?

A. Yes, sir.

Q. The total operating expenses?

A. Yes, sir.

Q. For the months of July, August and September of this year?

A. Yes, sir.

Q. Now, I would like to know if you can give us the gross earnings in Missouri for those three months: The freight earnings in Missouri for those three months: The passenger earnings for that period: The mail, express and miscellaneous earnings for that period, subdivided between miscellaneous freight and miscellaneous passenger?

A. In dividing miscellaneous freight earnings, do you want it divided between switching, demurrage, etc.?

Q. Yes.

5608 Also the gross earnings of the system divided between freight, passenger and miscellaneous. And the gross operating expenses of the system, divided between freight, passenger and

miscellaneous; and the miscellaneous divided between freight and passenger.

The MASTER: What length of time will be required to compile and return those figures, Mr. Tobin?

A. I ought to be able to get those out tomorrow.

Mr. LADD: Mr. Tobin, you were requested to bring in a couple of your records: One for the month of December, 1905, and the other for the month of June, 1906: Are they here?

A. Yes, sir, here they are (Producing large record books).

The MASTER: You are exhibiting one of the number of records heretofore referred to as a record kept for statistical purposes?

Mr. LADD: This book is brought in so the Master may see just what the book is that has been so often referred to.

Q. As I understand you, Mr. Tobin, this is the book you referred to as the statistical record?

A. Yes, sir.

Q. This is kept in sheets, and then at the end of a month, or, all the sheets for a month are bound up together in a book like this one here (indicating)?

A. Yes, sir.

Q. It makes a book nearly four feet by two feet, doesn't it?

5609 A. Yes, sir, approximately.

Q. And you bind these up, and there is a book of this kind for every month?

A. That is true.

The MASTER:

Q. Beginning with what time?

A. Each month of the year.

Q. When did you commence this?

A. This has been in effect for years. This is our established record.

Mr. MINNIS:

Q. Is this the established record, or what you referred to as the statistical record?

A. Yes.

Q. Which is it?

A. This is our established record for keeping the detail of the earnings in the auditor of freight accounts office. It shows what it is. It is a statement of freight forwarded, branch and State tonnage.

Q. Is this what you have called the statistical record that you have abandoned, or is it a regular record that the company keeps?

A. This is a permanent record, and has no connection with the abandoned method whatever.

Mr. LADD:

Q. Is this form A. O. 208?

A. Yes, sir.

Q. Is this what you call a statistical record?

A. It is a statistical record.
Q. You have talked about a statistical record?
A. Yes, sir.
5610 Q. This is the book, is it?
A. Yes, sir.

The MASTER: Is this the book you had reference to when you said you kept certain records for merely statistical records, and that they do not reflect or contain an accurate account of the various matters which the other books of your office show?

A. No, sir, it is our permanent office record.
Q. This is not that book?
A. No, sir.

Mr. LADD:

Q. Where is that other book?
A. As I understand it, the other book is drawn off on sheets. There are various sheets drawn up, before this, (indicating) is drawn off.

Mr. LADD: Are those the statistical sheets?

A. This is the result of the month's business. Some are drawn on one form and some on another.

Q. I want to know if there are other books or lot of statistics which you have been referring to during this time, aside from this book (indicating)?

Here is a heading in this book "Earnings by States," and under one heading is "Missouri." Now, I want to know if you get your figures for the earnings in Missouri for the calendar year 1905, that you have been testifying to here, from this book or from figures which went into this book, or from books of this same kind?

A. The figures prepared for this specific case?
Q. No. Your testimony you have given here?
5611 A. You speak about the calendar year 1905. I prepared figures for the calendar year 1905 for this specific case.

Q. I must insist upon your paying attention to my questions, Mr. Tobin. You have been giving testimony here for several days. You have testified what the earnings for Missouri were for the last p... of 1905 and for the first part of 1906. Where did you get this information? From this book here and books like this book (indicating)?

A. Yes, sir.
Q. You say this book is regularly kept in your office?
A. Yes, sir.
Q. Are those figures reliable?
A. Those figures are all right.
Q. And you have been testifying from the figures contained in this book, and figures like it?
A. Yes, sir.
Q. So, your testimony is correct as to the earnings?
A. Yes, sir.

Mr. MINNIS: Does that apply to your testimony as to what you referred to as to the "Abandoned method"?

A. The figures are taken from this book (indicating). It requires a great deal of detail. Here is our permanent record up to here (indicating a certain portion of the book). Then draw a line here (indicating), and here are our earnings by States, which we say are not correctly made.

Q. You say the division is not correct?

A. Yes, sir. Now, these figures here (indicating) are all
5612 right. You see the book here, this is a permanent record. Up to here (indicating) before we began keeping our earnings for State, that would not be in there. Under the different headings this is accurate, which shows the distribution to the lines and branches, etc.

The MASTER:

Q. Then, let me ask you this question: When you have heretofore referred to certain statistical records, which you state did not reflect the actual condition and were not reliable, you did not refer to all the books and all the matters contained in the volumes, of which this on the table is a sample, but only referred to the last column in these books?

A. That is right.

Q. Which is headed "earnings by States"?

A. That is true.

Q. Then, it is to that column you have referred as "Statistical records" which are not reliable and which did not enter into your accounts when you prepared the statements filed as Exhibit 2, and other exhibits in this case?

A. Yes, sir.

Q. But the balance of this record here exhibited, does reflect the actual conditions?

A. Actual transactions.

Q. And is the regular record you have kept in your office?

A. Yes, sir.

Mr. LADD:

Q. What is the matter with this column headed "Earnings by States," what is wrong about it?

5613 A. I think you have got some testimony from Mr. Berger upon that point.

Q. I am asking you. You are the head of this department and Mr. Berger is not here. What is the matter with this column "Earnings by States"?

A. Those figures may be all right as far as they go.

Q. These figures under the heading of "Earnings by States"?

A. Yes, sir, the total figures. They do not show any division between local and interstate.

Q. Between local and interstate?

A. Yes, sir, and in the figures for the year 1906 we did not use them because we commenced on July 1st dividing the earnings between local and interstate.

Q. You say this column "Earnings by States" does not divide the business between intrastate and interstate: Is that it?

A. That is true.

Q. But so far as it does go it is all right?

A. I do not say it is all right.

Q. I thought you did? What is the matter with it?

A. Because if we were called upon to prepare a statement covering the period up to June 30, 1906, we would do it as we did it for 1904 and 1905, we would go right to the way bills. We would not take the records. We would make the division from the way bills. A record for statistical purposes is one thing and a record of the actual earnings of the road is another thing.

Q. Will you tell me what is the matter with the figures
5614 under the heading of "Earnings by States"? What is wrong about them?

A. They do not divide between local and interstate business.

Q. Is that all?

A. They may be right. Beyond that they may be right.

Q. With that exception they are right?

A. I do not know.

Q. You do not know?

A. No, sir. I know we did not use them.

Q. Now, let me see if I understand: So far as these figures under the heading "Earnings by States" go, they are right, but they do not undertake to divide between interstate and intrastate: Is that right now?

A. Possibly so.

Q. So, so far as the division between the different states goes, that is all it purports to do, it is right, but it does not divide between State and interstate?

A. I made an answer to that question just a few minutes ago.

Q. Cannot you answer that question?

A. I answered it.

The MASTER: Answer it again.

A. I said no. That this statement was prepared for statistical purposes.

Mr. LADD: I do not care why you prepared it. I do not care if you prepared it for fun.

5615 A. If you were to call upon us for a statement of the earnings in Missouri for the year ending June 30, 1906, for the purposes of this case, we would not use those figures, but we would prepare a statement from the way bills.

Q. I will ask you again: What is the matter with the figures under the heading "Earnings by States"?

A. Possibly they are not compiled in as careful a manner as if we were called upon to prepare a statement for this specific case.

Q. They were intended to be compiled as correct, weren't they? The only reason you had to go to the way bills was to separate the State and interstate, wasn't it?

A. I can only repeat what I have said before, that when we were making up the figures for statistical purposes, we perhaps did not

use the care we would when we are making them up for a specific purpose. If we were called upon to prepare a statement for the period ending June 30, 1906, we would go to the way bills and take the data from there, and ignore these figures altogether (indicating book). We are keeping certain figures and keeping certain distributions, and we do that fairly accurately. But if we were to do it where we use it only for statistical purposes, to be absolutely correct, it would involve an immense expense. If we do it for statistical purposes and get it fairly accurate, to serve certain purposes required by our management, these figures are all right.

5616 The noon hour having arrived, recess was here taken until two o'clock.

After recess on Friday, December 14th, the following proceedings were had:

The cross-examination of Mr. T. J. TOBIN continued.

By Mr. LADD:

Q. Are you prepared now, Mr. Tobin, to say whether an additional one hundred thousand dollars was appropriated for the purpose of new equipment?

A. No, sir, those figures are being worked up *worked up* in the office now. I left all the data you asked for this morning, and it is now being compiled.

Q. Are you able to give the passenger earnings of the Missouri part of the system for the last half of 1905?

A. That is also being prepared.

Q. And the same is true of the mail and express earnings, I suppose?

A. Yes, sir.

Q. Can you tell me now what were the net earnings of the Hannibal bridge for 1904 and 1905?

A. Those figures were not compiled when I left the office, and I left word to have them sent over here.

Mr. LADD: I wish to offer in evidence a sentence or paragraph from page 7 of the annual report of the directors of the Wabash Railroad Company for the fiscal year ending June 30, 1906, which reads as follows:

5617 "A large sum of money was spent during the year, out of operating expenses for reballasting and for heavier rail, and considerable sums, as will appear in the detailed statements, have been charged to operating expenses, and appropriated out of Surplus Earnings, for New Equipment, for Car Shops at Decatur, for double track between Sangamon and Decatur, and between Knights and Taylorville; also for necessary yard improvements at Detroit, Chicago, St. Louis, Kansas City, Decatur and other minor points. The reports of the General Manager, the General Traffic Manager and the Fourth Vice-President, enclosed herewith, are referred to for details in regard to all of these matters."

Mr. LADD: Mr. Tobin, this book which you were talking about before recess is what?

A. A O 208 for June, 1906, branch earnings on tonnage. This is a book for one month.

Q. For June, 1906?

A. Yes, sir.

Q. You have eleven other books like this for the other eleven months of that fiscal year: Is that right?

A. That is correct.

Q. They are all bound books like this?

A. Yes, sir. In other words, we have a book for each month.

5618 The MASTER:

Q. I understood this particular form was abandoned at the end of the fiscal year June, 1906?

A. Yes, sir, this particular portion, but the book itself is permanent (indicating outside column).

Mr. LADD:

Q. Referring again to the last column of this book headed "Earnings by States" in that appears the apportionment to the different States, Ohio, Indiana, Illinois, Missouri, etc., all the States through which your road runs, of the interstate freight earnings: Is that right?

A. That is right, yes, sir. It is both intrastate and interstate.

Q. But in those figures you included in the apportionment to Missouri of its share of the interstate earnings: Is that right?

A. Yes, sir, that is correct.

Q. These apportionments, if I understand the testimony heretofore, illustrations of which appear in this column, (indicating last column) were made upon the basis of certain established percentages which had been employed for several years by the Wabash Railroad Company: Is that right?

A. That is correct, yes, sir.

Q. Percentages of different kinds which were applicable to different territories, I think it has been said: Is that right?

A. Yes, sir.

Q. This book does not divide the earnings between interstate and intra-state, does it?

5619 A. No, sir.

Q. The books which you are keeping under the system adopted by you on July 1, 1906, are the same as this one (indicating) with the exception of the omission of this column which is headed "Earnings by States?"

A. Yes, sir, that is to say, under the new system we show earnings by States and divide it between intrastate and interstate.

Q. Then the new system does not contain a column similar to this "Earnings by States," and in addition shows columns separating the intrastate and the interstate earnings?

Q. Yes, sir.

The MASTER:

Q. For each State?
A. Yes, sir.
Q. Including Missouri?
A. Yes, sir.

Mr. LADD: So the only difference between the books you use now and the books you did use, of which this (indicating) is an illustration, is that in your present books you divide the earnings between intrastate and interstate between each State: Is that right?

A. Yes, sir, that is true—you say "The only difference." There was a change in the basis.

Q. I will get at that in a moment. As to that established basis of percentages which has been referred to, has that been changed since the 1st of July, 1906, in any respect?

5620 A. Yes, sir.

Q. Would the change which has been made in any of these bases, make, in your judgment, any material difference in the amount apportioned to each State?

A. My impression is that the new basis established July 1, 1906, would increase the proportion of earnings for Missouri, over the old basis.

Q. Does the apportionment to the different States of their proportion of the interstate earnings, as shown by this book which we have here, differ materially from the results which would be attained by an examination of all the way bills?

A. I think not. I think the result would be very close.

Q. And you think whatever change there has been made in these bases of percentages since the first of July, 1906, would if anything increase Missouri's part of the interstate earnings?

A. I am satisfied they would, yes, sir.

Q. So, isn't it true that these books when they were kept, according to the theory upon which they were kept, were as accurate as books generally are?

A. Yes, sir.

Q. Without respect to the correctness of the basis of percentage?

A. Yes, sir, I should say they were fairly accurate.

Q. Mr. Tobin, I will ask you one more question: Whether the statements which have been presented here and filed as ex-

5621 hibits by your company, of your earnings, etc., were prepared or intended to be prepared, having in view the same basis of percentage as prevailed in that book (indicating)?

A. Yes, sir.

Mr. LADD: In connection with Exhibit 9 I will offer in evidence a statement furnished by Mr. Tobin, showing the apportionment to the different States of that $300,000.

The paper referred to is marked Defendant's Exhibit 9-A in the words and figures following; to wit:

5622 Mr. LADD:

Q. Are you prepared to say now whether an additional $100,000

was appropriated during that year for the purchase of new equipment?

A. Yes, sir, there was $100,000 taken into account in March, 1906.

Q. That is, for the purchase of new equipment?

A. Yes, sir, for the purchase of new freight cars.

Q. What part of that was charged to Missouri?

A. $28,260.

Q. That was charged to the operating expenses in Missouri, that is, Missouri's proportion of that, the figures of which you gave, was charged to Missouri maintenance of equipment account for the fiscal year ending June 30, 1906, wasn't it?

A. Yes, sir.

Q. I will ask you again the questions I asked you this morning and will ask you to look at page 14 of the annual report for the year ending June 30, 1906, and state whether the $400,000 which appears in the last column of the first table under the heading of "Additions and Improvements" included in operating expenses on that page, is made up of those two items, $300,00- and $100,000, which have been spoken of here?

A. Yes, sir.

Q. What were the net earnings of the Hannibal bridge for the calendar year 1904?

A. $109,572.30.

Q. And what for the calendar year 1905?

5623 A. $162,749.63.

Q. The Wabash Railroad Company is the lessee of that bridge, isn't it, Mr. Tobin?

A. Yes, sir.

Q. What rent do you pay annually?

A. We pay a rental of $68,000 per annum.

Q. I asked you for the net earnings and you gave them to me. That is, after deducting that rental?

A. Yes, sir, that is the surplus or net earnings.

Q. After deducting rental and the expense of operation?

A. Yes, sir, and taxes.

Q. Can you tell me how much you have deducted from Missouri earnings for the bridge toll at Hannibal?

A. No, sir, I cannot.

Q. Douldn't that be ascertained?

A. It could be but it would involve a vast amount of work.

Q. I will not ask you to do that.

Do those earnings of the Hannibal bridge, either net earnings or gross earnings, appear in the figures which are shown upon your exhibits filed in this case?

A. No, sir, with the exception of the question you raised a moment ago as to what bridge tolls were deducted from the Missouri earnings. That portion would be deducted from the earnings?

The MASTER:

Q. To what extent?

A. The Hannibal bridge tolls are pro-rated, on business crossing the river.

24 Mr. LADD:

Q. As I understand you, Hannibal bridge tolls have been ducted from Missouri earnings: Is that right?
A. No, sir, not all of the tolls. All of the tolls are not deducted om the Missouri earnings.
Q. Come of them have been?
A. Yes, sir, some of them have been.
Q. They are deducted from the Missouri earnings, such as have en deducted at all, before you reach the results which are shown these exhibits?
A. That is true.
Q. The exhibits themselves do not show the deductions?
A. No, sir.
Q. But they are the result of the reductions that have been made.
A. Yes, sir.
Q. Now, what I ask you is, is any of the revenue derived from lls on the Hannibal bridge credited to Missouri earnings?
A. No, sir.
Q. No part of them?
A. No, sir.
Q. On the contrary a large part, shall I say, has been deducted rom them?
A. I would say a part.
Q. Would you say it was a large part?
A. No, sir, I cannot answer that off hand.
Q. You could not approximate it?
A. No, sir.

5625 Q. Do you know the system under which any part is deducted from Missouri earnings, what principle?
A. Because it is a bridge toll.
Q. You say they are not all deducted from Missouri earnings, but a part of them are: On what principle is any part of them deducted?
A. On the principle or on the ground that it is a bridge toll, in the same way that deductions are made for bridge tolls at St. Louis, or any other point; Keokuk, for instance.
Q. But in this the tolls of the bridge go to the Wabash Company?
A. Tolls from the Hannibal bridge?
Q. Yes?
A. Yes, sir.
Q. That is revenue?
A. Yes, sir.
Q. That is kept in a separate account?
A. Yes, sir kept in a separate account.
Q. Although a part of it is charged to Missouri earnings, that is kept in a separate account, just as though it was a separate individual, altogether?
A. Yes, sir.

Q. Just the same as if it were owned by another company?

A. Yes, sir, the Hannibal Bridge Company, for instance.

Q. Although the taxes on that bridge are included here in operating expenses and charged against us?

5626 A. Unintentionally, however. That was done inadvertently and we have acknowledged that they should come out.

Q. What is that?

A. Those Hannibal bridge taxes were included inadvertently, and we have acknowledged that they should not have been included in there. They are about $4000 in one year and $4000 in another year.

Q. When did you come to that conclusion?

A. You asked me the question yesterday.

Q. When did you come to the conclusion that they were improperly charged?

A. At the last hearing you raised the question as to whether there was any taxes in the tax rate of Missouri for 1904 or 1905. I believe my testimony will show that I stated I thought not. I knew they should not have been included. Upon referring to my records at the orrice I found that in compiling the figures for Missouri they were compiled in the same way as though we were called upon for a statement of Missouri taxes, failing to take out the Hannibal bridge taxes. The Hannibal bridge taxes are put into our tax records, as a mere memorandum, to show how much taxes we do pay in Missouri, and then it is deducted. Now, in drawing off the figures they failed to take off the deduction and took the whole amount.

The MASTER:

Q. I think it appeared fully in the early examination of this witness.

A. Yes, sir, that appears in my testimony. I was surprised to find they were not deducted, because the instructions were to

5627 deduct them.

Questions by Mr. KENNISH:

Q. The freight which crosses the bridge at Hannibal is taken across by the regular Wabash trains, is it?

A. Yes, sir.

Q. Regular train crews? There is no change made when the freight goes to the bridge, like there is at the terminal bridge here that you spoke of?

A. I am not prepared to answer that. I do not know.

Q. The regular freight trains cross the bridge just as they go over any other part of the road?

A. I have never been in Hannibal and I really do not know. It is an operating detail which I am not familiar with.

Q. Does your account show whether or not the Hannibal Bridge Company owns any engines or have any crews employed to transfer the freight which goes to the bridge?

A. No, sir, I do not think they have. In fact, I know they have not.

Q. The bridge here in St. Louis, which you referred to, owns

gines and employs crews, and they transfer the freight themselves, on't they?

A. I do not think they do in all cases.

Q. You think not?

A. No, sir.

Q. You think the regular trains of the railroad that is carrying the freight takes it across the bridge here at St. Louis?

5628 A. Yes, sir, I know in many instances they do. I know in such cases, but just in what proportion I do not know.

Q. Mr. Tobin, I think you have testified that 56.56 per cent was he proportion of the freight expenses in Missouri to the total operating expenses in Missouri for the last half of the calendar year 1905?

A. Yes, sir, that is correct?

Q. Now, I will ask you to state if the freight expenses in the ear 1904 bore the same proportion to the total operating expenses n the State, how much less would be the expense of carrying on the ntrastate freight business than you have shown in your statement led here, where you have used the bases 65 per cent?

A. If we had used a percentage of 56.56 instead of 65 per cent or 1904, the reduction would have been $109,590.05.

Q. You mean by that reduction in expenses of the intra-state business?

A. Yes, sir.

Q. It would have been that much less than the amount shown in your statement Exhibit 2?

A. Yes, sir.

Q. How would it have been in 1905, the same percentage?

A. For the year 1905 on the same basis the reduction would have been $98,927.31.

Q. That is to say, it would have been that amount less than the amount shown in the statement Exhibit 2?

A. Yes, sir.

5629 Q. Are you now prepared to make a statement of the accounts on which the deductions of about $210,000 was made from the Missouri freight earnings for the fiscal year ending June 30, 1906, which has already been referred to?

A. Yes, sir.

Q. What did those deductions consist of?

A. There was a deduction for foreign switching $94,664.98. That would leave the amount of earnings for Missouri for that period $3,373,000 in round numbers.

Q. Can you divide that item $99,664.98 between the last half of 1905 and the first half of 1906?

A. Yes, sir. For the six months ending December 1, 1905, $50,095.85; for the six months ending June 30, 1906, $44,569.13.

Q. Have you any other deductions to make?

A. That is all.

Q. Instead of $205,000 deduction which it is proper to make is ninety-four thousand and something?

A. That is correct.

Q. What does that leave the net freight earnings for that period, $3,376,000?

A. I would say in round numbers it would be $3,376,000.

Q. Instead of the figures we had yesterday, $3,265,000?

A. Yes, sir, that is right.

Q. Has this amount $94,664.98 for switching been actually paid in Missouri, or is that a percentage based upon the amount
5630 paid to the whole system?

A. That is a percentage proportion.

Q. What percentage?

A. Well, it is probably arrived at upon a fixed percentage, possibly road mileage or——

Q. You do not know what the percentage is?

A. No, sir.

Q. The percentage of the total amount paid to the whole system — some other company?

A. Yes, sir.

The MASTER: I understood different percentages were applicable to different lines and different routes and different divisions of freight trains?

A. Yes, sir on freight earnings.

Mr. LADD:

Q. I do not think that would have anything to do with the switching.

The MASTER: The switching is a separate account not arrived at in the same way?

A. These are statistical figures. The form- of switching we put in for 1904 and 1905 are actual, as we picked them out from the vouchers. But these figures (indicating) we took the total and charged Missouri on a certain percentage basis.

The MASTER: On certain single percentage basis?

A. Yes, sir.

Mr. LADD:

Q. This morning or yesterday you gave me the percentage
5631 of the freight earnings in the State to the total earnings in the State, but I suppose that was based upon the assumption that the freight earnings were $3,265,000: Now, you say they were $3,775,000: Am I correct about that?

A. That would change the percentage slightly if those figures were given.

Q. Can you give me that percentage?

A. About 57 per cent plus.

Q. Then for the fiscal year ending June 30, 1906, the freight earnings in Missouri were 57 per cent of the total earnings in Missouri; and the freight expenses in Missouri for the same period, after eliminating Missouri's proportion of the $300,000 equipment account, were 58.65 per cent of the total expenses in Missouri?

A. Yes, sir.

Q. Freight revenue 57 per cent and the freight expenses 58.65 per ent?

A. Yes, sir, that is right.

Q. If Missouri's proportion of that additional $100,000 was also educted from the expenses, it would make the 58.65 per cent a raction less than that?

A. What $100,000?

Q. That other $100,000 for the equipment account?

A. Yes, sir, it would reduce the figures in that proportion.

Q. That was not included in your calculation?

A. No, sir, that came in in the March account. That is right.

5632 Q. And if you added to the $3,375,000 which you have stated to have been the freight earnings, the earnings from witching, which as I understand are not included in here, and the demurrage, which is also not included in here, the percentage of the reight earnings to the total earnings would be somewhat increased; nd the two percentages, earnings and expense, be brought nearly to- gether: Isn't that true?

A. Yes, sir, that is true.

Q. You have stated that this $94,644.98, the deduction for foreign witching, was a percentage: What was that percentage?

—. It was either on a road mileage or an earning per cent, pos- ibly. You understand Missouri's proportion based on road mileage n proportion to the mileage of the whole road; or, Missouri's earn- ngs in proportion to the earnings on the whole system. You under- tand these foreign switching figures are only statistical figures. They re not as the figures compiled for 1904 and 1905, where we took ut the actual vouchers and got actual results. For this period we id not do that.

Q. Will you find that out for us.

A. Off hand I should say that was on an earning basis, but I preferred to be sure about that.

Q. Why did you deduct $94,664.98 from your freight revenue in rder to ascertain the net freight revenue, and at the same time you do not put into the freight revenue any switching which you re- ceived?

5633 A. This foreign switching is really a part of the through rate. It is absorbed. It is covered by the tariffs, etc. just the same as the foreign proportion of the rate would be.

Q. It does not seem to me that is an answer to my question. You have not included in your statement of revenue from the freight business any switching: That is right, isn't it?

A. That is true.

Q. Why is it fair to exclude the switching from the revenue which you do receive, the revenue which you do receive from your freight revenue, and at the same time deduct switching charges which you pay out from the revenue. If it is fair to charge switching to freight revenue, why is it not fair to credit switching to freight revenue?

A. Because the amount we pay for this switching, as I said before, is a part of a through rate that we pay to somebody else.

Q. Is it a lot of this switching which you collect as part of the through rate, too?

A. No, sir, it is part of the switching we perform.

Q. It is somebody's through rate, isn't it?

A. Possibly so. It is switching. It is switching for industries, foreign roads, switching of various kinds, which we do.

Q. Now, Mr. Tobin, isn't it fair that you deduct from
5634 your freight revenue for the same kind of switching which you do for others and receive pay for, and which you neglect to put into your freight revenue. Why is it fair to deal with it in one way in one case and another way in another case. I cannot understand it.

Mr. MINNIS: That is objected to. The witness has thoroughly explained that. That foreign switching is absorbed as a part of the through rate. It is taken as part of the through rate, and in the division it is turned over to the party who does the switching.

The objection is overruled.

Mr. LADD: That is the switching that is done by other companies for the Wabash. Now, when the Wabash does switching of the same kind and receives pay for it, I cannot understand why it should not be credited to the freight revenue.

The MASTER: Let the witness make an explanation of it if he has any to give.

Mr. LADD:

Q. Let me supplement that by another question: I have here one of the forms of annual reports for the Interstate Commerce Commission. I will ask you if that is the form which you use in making your reports?

A. Yes, sir, that is it.

Q. On page 35 down towards the foot, under the head of "Other earnings from operations" is this "Switching charges balance" up under the head is "Freight revenue:"

Now, if I understand what you have done in this particular case is this, according to this you credit any money which you
5635 make from switching charges down here under the head of "Other earnings from operations," but any moneys which you pay out for switching charges, you charge up here in another place against freight?

A. That is right.

Q. Why isn't it fair if you charge that to freight, to credit the other two freights, and put them both in the same place? That is what I do not understand.

A. These switchings that we perform is a miscellaneous earning, and the switching that we pay the other roads for is a part of a through rate.

Q. Is that the way the Interstate Commerce Commission tells you to regard it?

A. Well, if you refer to the instructions on page 34 of the Interstate Commerce Commission report, I might say that will be en-

tirely revised on the first of next July, because I do not think any two roads keep that alike.

The MASTER:

Q. Let me see that form.

(The Master here examines form of the Interstate Commerce Commission.)

A. I would like to say in that connection, that that form of the Interstate Commerce Commission will be abolished on the first of next July. It is the common practice among railroads to handle it just as the Wabash has handled it. Namely, charge foreign switching as a deduction from freight earnings, and credit switching receipts to miscellaneous earnings.

5636 At this point the further hearing of proceedings herein was adjourned until Tuesday, December 18, 1906, at ten o'clock in the forenoon, at that time to be resumed in the Federal Building in the City of St. Louis, Missouri.

ST. LOUIS, MISSOURI, *December* 18, 1906.

Met pursuant to adjournment as above on Tuesday, December 18, 1906, at ten o'clock a. m., in the Federal Building in the City of St. Louis, Missouri.

Present: Mr. F. L. Scofield, Special Master. Mr. James Minnis appeared in behalf of the Complainant. Messrs. S. B. Ladd and John Kennish appeared in behalf of the Defendant.

The following proceedings were had:

The cross examination of the witness, Mr. T. J. TOBIN, was continued as follows:

By Mr. LADD:

Q. Mr. Tobin, what were the total earnings of the Wabash Railroad Company for this State for the months of July, August and September, 1906?

A. The earnings for the State of Missouri for the months of July, August and September, 1906, as arrived at upon the new basis, which was established July 1st, 1906, are as follows:

5637 Freight earnings		$1,286,790.99
Passenger earnings		700,591.69
Mail earnings		65,635.50
Express earnings		36,755.67
Miscellaneous freight earnings		46,436.69
divided as follows:		
Switching	$40,373.33	
Demurrage	5,199.57	
Miscellaneous	863.79	
Miscellaneous passenger earnings		10,957.85
Total		$2,147,168.39

Q. Mr. Tobin, I wish you would add to your earnings, which you have denominated as "freight," what you call "miscellaneous freight."

A. Adding to the freight earnings the switching and demurrage, would produce a total equal to $1,332,363.89.

Q. What percentage is that of the total earnings, treating switching and demurrage as a part of the freight earnings for the purposes of this calculation?

A. 62.05 per cent, I make it.

Q. You have testified, if I remember correctly, that the percentage of freight expenses in Missouri during that period to the total expenses were 63.67 per cent: Is that right?

A. Adding that, I believe those are the figures.

Q. It appears that the percentage of freight earnings in Missouri to total earnings were 62.05 during the same period?

5638 A. Yes, sir. According to your basis of calculation, you understand.

Q. By that you mean, putting in switching and demurrage?

A. Yes, sir. Putting those in.

Q. Leaving it out what would it be?

A. It would be about 60 per cent.

The MASTER:

Q. Speaking now of percentage of expense?

A. No, sir, percentage of earnings to total earnings.

Mr. LADD:

Q. What were the gross earnings of the system for those three months?

A. Freight earnings	$4,535,479.00
Passenger earnings	2,191,995.00
Mail earnings	209,228.90
Express earnings	139,500.00
Miscellaneous freight earnings	89,429.16

divided as follows:

Switching	$62,633.59	
Demurrage	12,586.54	
Miscellaneous	14,209.03	
Miscellaneous passenger earnings		37,070.84

Q. What is that $14,209.03 miscellaneous freight earnings and of what does that consist?

A. The principal part of that is earnings over on the Buffalo Division, between Detroit and Buffalo. We have some joint trains over there and it is reported to the Grand Trunk.

Q. What is the total of this?

5639 A. $7,202,702.90.

Q. Mr. Tobin, will you give me the expenses of the system for those three months?

A. The gross operating expenses for the whole system for the same

period were $4,732,832.89, divided between freight and passenger as follows:

Freight expenses	$3,149,807.79
Passenger expenses	1,583,025.10

Q. That is as far as that division goes?
A. Yes, sir.
Q. In the expenses you divide between freight and passenger; and everything besides freight is called passenger?
Q. Yes, sir.
A. What is the percentage between the freight earnings of the system for that period and the total earnings of the system for the same period?
A. It is a trifle less than 63 per cent. I could work it out in detail if you like.
Q. I wish you would figure it now, including the miscellaneous freight earnings.
A. Taking in switching and demurrage?
Q. Yes.
A. It would be about 64 per cent.
Q. Will you now give me the percentage which the freight expenses for that period bore to the total expenses?
A. 66.55 per cent.
Q. What did you say the earnings were?
A. 64 per cent.
5640 Q. 64 per cent if you include the demurrage?
A. Yes, sir.
Q. During those three months were there any expenditures made for new equipment or appropriations made for new equipment, which are included in these expenses?
A. I think not. I am quite sure there was none.
Q. Will you look that up and tell me about that later?
A. Yes, sir.
Q. Will you please give me for the last half of 1905 the earnings from mail, express, passenger and miscellaneous for Missouri?
A. The earnings for the last half of 1905 were as follows:

Passenger earnings	$1,045,490.90
Mail, express and miscellaneous	327,003.19

Q. Can you give me that item of $327,003.19 in any greater detail?
A. I have not the figures here just now. These are the figures you asked for but I can work it up for you if you desire it.
Q. I think that will do.
I asked you to make if you could, a subdivision of the mail, express and miscellaneous earnings in Missouri in the fiscal year ending June 30, 1906.
A. The division of the mail, express and miscellaneous earnings for the year ending June 30, 1906, is as follows:

Mail earnings		$262,517.96
Express earnings		168,319.35
5641 Miscellaneous freight earnings		$176,793.27
Divided as follows:		
Switching	156,954.78	
Demurrage	17,100.77	
Miscellaneous	2,737.72	
Miscellaneous passenger earnings		36,745.69

Q. Some time ago, at a previous hearing, I asked Mr. Berger how much of the switching on waybills was included in the total freight earnings for the year ending June 30, 1906, amounting to $3,470,629.60, and he said he would ascertain, and I understand he has given those figures to you?

A. The amount of switching revenue for switching handled on waybills for the year ending June 30, 1906, was $59,139.36. The amount of switching revenue for switching not covered by waybills was $157,001.01.

Q. Now, the first item, if I understand the testimony, is included in the figures which I have just mentioned, but the last item is not?

A. I believe your answer covered both. The first one is the one you asked Mr. Berger. You asked him for both classes of switching.

Q. What is that first amount?

A. The first amount covers switching revenue for switching handled on freight bills.

Q. That is included in the $3,470,629.60, which Mr. Berger testified to?

A. Yes sir, that is in there.

Q. What is the other amount?

A. $157,001.01.

Q. No part of that is included in this $3,470,626.60?

A. No sir.

5642 Redirect examination.

By Mr. MINNIS:

Q. Mr. Tobin, referring to the figures you have given this morning, which you say, indicates earnings of the company for Missouri for the months of July, August and September, 1906, you stated that those figures were arrived at on the basis adopted July 1, 1906?

A. Yes sir.

Q. Explain to the Master what basis was adopted on July 1, 1906, and how you arrived at Missouri's proportion of the earnings for those three months, as testified to by you this morning?

A. We never kept the earnings by States. We never attempted to keep the earnings by States until July 1, 1905. Prior to that time in making up the State reports we apportioned to each State its road mileage proportion of the earnings. On July 1, 1905, we thought we had better keep the earnings by States, and we commenced to do it. But, as I testified here, we did not use those figures because our management maintained they were not made

up on the proper basis. And only July 1, 1906, we adopted a new basis. Under the new basis, established July 1, 1906, we apportioned the local earnings to each State.

Q. Was that actually the intrastate earnings?

A. Yes sir, the actual intrastate earnings.

Q. You gave each State its actual intrastate earnings?

A. Yes sir.

Q. How did you arrive at the proportion of interstate earnings which should be apportioned to each State?

5643 A. We ascertained the total interstate earnings and divided them between all the States upon a road mileage basis.

Q. By that method you allowed to the Boonville branch as much earnings per mile as any other part of the system, didn't you?

A. Yes sir, just as much as the main line.

Q. I will ask you whether or not in your judgment, as an accountant, that method is a correct one for apportioning the interstate earnings?

A. No sir, it is not. I got the instructions to divide the earnings in that way, and we commenced to divide them that way. But I maintained then, and still maintain, that is an incorrect method. And I believe our management has just about determined to abolish that method. They see that it is not correct. I do not know that we will keep the earnings by States, until some uniform method is arrived at and adopted, either by the accounting officers' association or the Interstate Commerce Commission. The question of distribution is now in a sort of chaotic state. There have been a great many resolutions and recommendations made, but none of them have been acted upon. We found in making distribution last year, I think it was a pretty fair distribution, one we did not use, but it was an awfully expensive one. We had to make the division, and with our limited force it was very difficult to do so.

5644 I want to call attention to the figures I gave to Mr. Ladd this morning, showing Missouri earnings. The figures I gave were based upon this method which we established on July 1, 1906, and which I maintain are incorrect. Under that basis we gave Missouri freight earnings for the three months $1,286,790.99. The freight earnings of the whole road were $4,535,479. Missouri was allotted under that method of distribution 28.37 per cent.

Now, the freight earnings shown on Exhibit 4 for Missouri for the year 1905, Missouri received a little over 20 per cent, which I think is about right.

Q. Does this new method give to Missouri more of the interstate earnings than it is entitled to?

A. Very much in excess of the correct amount. The fact is this new method gives Missouri more earnings than would be allowed on a road mileage basis. In compiling State reports we allow the States their proportion on a road mileage basis. I think the testimony will show that last year the amount allowed to Missouri on a road mileage basis was one million dollars in excess of the actual earnings as determined. Now, that was about 26 per cent. If we would allow Missouri upon the new basis, the excess would be still greater.

because the percentage in freight earnings is 28 per cent and on the total earnings is 30 per cent.

Q. As I understand, the new method does not involve ascertaining the actual figures, but you take the interstate earnings as a whole and divide them according to the road mileage you have in each State, without regard to the density of traffic or the earning capacity of the mileage in the different States?

5645 A. Yes sir. I would like to quote an illustration here, the result of the three months compilation, making a comparison between the State of Missouri where the density of traffic is light, and the State of Michigan where the density of traffic is very heavy. The actual earnings ascertained for the State of Michigan for the months of July, August and September, 1905 was $382,000. The amount apportioned to Michigan for July, August and September, 1906, under this new method is $170,000. That shows a decrease of $212,000, which undoubtedly shows that the basis established July 1, 1906, is not correct.

Q. What is the comparative *of* density of traffic on the lines in Michigan and the lines in Missouri, about what?

A. A Detroit division, which includes the State of Michigan, ranks second. The Moberly division, which includes the State of Missouri, ranks last, in density of traffic.

Q. About what is the difference in percentage?

A. That would be a matter of computation. I can give it to you in a moment.

Q. You may indicate it in a general way. That is sufficient for the purpose here.

A. The Detroit division with a mileage of about 300 miles, moved as many tons one mile as the Moberly division, with 859 miles. In other words there were as many tons moved one mile over 300 miles of the Detroit division as over the 800 miles of the lines west of the Mississippi river.

Q. This density of traffic over the Michigan lines is more than twice as much as over the Missouri lines?

5646 A. Yes sir.

The MASTER:

Q. When you speak of the Moberly division in this connection, did you include the whole State of Missouri?

A. Yes sir, included the whole State of Missouri and in fact included the lines west of the river.

Mr. MINNIS:

Q. You say the density of traffic is lowest in Missouri?

A. Yes sir.

Q. Or more properly speaking, west of the Mississippi River?

A. Yes sir.

Q. So the method that you have adopted since July 1, 1906, would give the lines west of the river, much more than their rightful percentage of the total interstate revenue, and the lines east of the river much less than their rightful percentage of the total revenue?

A. That is correct, yes sir. The method adopted on July 1, 1906, while not accurate is an economical method. And that is all you can say for it.

Q. It has the merit of being easily kept?

A. That is right. In other words, it is an easy method, but not an accurate method; and it does not give a proper result.

Q. Referring now to the expenses shown on Exhibits 2, 3 and 4, which are statements we offered in evidence at the beginning of the hearing, as I understand from direct examination the figures with respect to the expenses for the years 1904 and 1905
5647 are not actual, but were arrived at in this way; You kept the actual expenses for the six months ending July 1, 1906, and you used those six months as a basis in arriving at the expenses for the other eighteen months of the calendar years 1904 and 1905?

A. That is true, yes sir. Where we were called upon to make these figures, the only figures we had that were available were the expenses for Missouri for the six months ending December 31, 1905, as stated before. We commenced to keep the operating expenses by accounting divisions, along about July, 1905, and we had the figures available for those six months. It was impossible to go back of that period and determine the expenses for Missouri.

Q. That being true, then the item for extraordinary additions and improvements, which the annual report of 1906 shows was charged to operating expenses during the year 1904, did not enter into your calculations at all?

A. No sir, the expenses after the 1st. of January, 1906, covering these extraordinary expenses referred to, did not enter into the calculations at all.

Q. You do not understand my question: Referring to our annual report for the year 1906, on page 14; your attention on cross examination was called to the items on that page under the column here ending June 30, 1904, and the column for the year ending June 30, 1905, which shows that there were charged to operating expenses during the year 1904 $2,097,436.98 on account of additions, improvements and extraordinary repairs and renewals; and for the year ending June 30, 1905, $2,169,277.28 for additions, improvements and extraordinary repairs and renewals during
5648 that year: That is correct, is it?

A. Yes sir, that is right.

Q. Now, if you used the figures which showed the actual cost of operation for the six months period ending January 1, 1906, in getting at the expenses for the calendar years 1904 and 1905, those figures were not included and had no connection with the result, did they?

A. After we arrived at the six months, we took the percent that those six months bore to the total Missouri expenses and applied it to the expenses for 1904 and 1905, which applied to a certain amount of these figures.

Q. What did you ascertain from the actual figures which you kept in order to show the actual expenses for the period ending June 30, 1906?

A. We determined what the expenses for Missouri were for this six months. We found what the percentage proportion was to the total operating expenses for the entire period. After we arrived at that percentage then we took that percentage proportion of the total operating expenses for the previous eighteen months.

Q. So you simply used the actual expenses for the six months period in obtaining the percentage?

A. That is true.

Q. Of the expenses in Missouri to the total expenses?

A. Yes sir.

Q. And in arriving at the expenses for the calendar years 1904 and 1905, you applied that percentage?

A. Yes sir.

5649 Q. Did you have a statement or any data showing the expenses of the system for the calendar years 1904 and 1905?

A. Oh, yes, we could arrive at that very readily.

Q. You could arrive at that?

A. Oh, yes. As I said before, it was very unfortunate that when these figures were called for they were not called for by fiscal years. Most of the roads now keep their accounts by fiscal years. And if that had been done it would have saved us a great deal of trouble in these calculations.

Q. What I am driving at is, these figures you have testified to, as appearing on page 14 of the annual report for 1906, were not involved in obtaining the percentage?

A. No sir, they were not.

Q. Not at all?

A. Except whatever proportion of these expenses was included in the operating expenses for the six months.

Q. Take for instance the amount $2,097,436.98 which is charged to operating expenses for the year ending June 30, 1904, on account of additions, improvements and extraordinary repairs, no part of that sum was included in the figures from which you arrived at the percentage of expenses in Missouri to total expenses?

A. No sir.

Q. And no part of the item of $2,169,277.28 charged to operating expenses for the year ending June 30, 1905, on account of additions, improvements and extraordinary repairs were used in obtain-

5650 ing the percentage of expenses in Missouri to total expenses, except such part as should have been included in the six months period ending January 1, 1905?

A. Well, there would be no portion of that second column at all, because that would be in the following column.

Q. Because that year ended June 30, 1906?

A. Yes sir.

Q. So these figures to which I have called your attention on page 14 of the report for 1906, were not included or used in arriving at the percentage which the expenses in Missouri bore to the total expenses of the system?

A. No sir, those figures had no bearing whatever in arriving at the percentage.

Q. Those items were, however, treated as part of the expenses of the system for the fiscal years 1904-5, weren't they?

A. Yes sir, that is, part of them were. This covers fiscal years, and that part of 1904 after January 1st, was included.

Q. But before January 1st, was not included?

A. Before January 1st, no part of that was included.

Q. What you have said with respect to this item is true, isn't it, with respect to all other items of expense aside from the actual expense for the six months period ending January 1, 1906?

A. Yes sir.

Q. So the actual expense for the six months period ending January 1, 1906, was the sole basis for the percentage you used
5651 in arriving at the expenses for the calendar years 1904 and 1905?

A. Yes sir.

Q. That fact true, if the actual expenses of Missouri for the years 1904 and 1905 were greater than for the six months period ending January 1, 1906, the excess of the expenses for the years 1904 and 1905 was not taken into the account in making the division?

A. No sir, it was not and I believe if there was any way to determine what the actual expenses for Missouri were for 1904 and 1905 this would fully equal the amount we have shown upon these reports.

The MASTER:

Q. I suppose that belief was the basis of making the same apportionment for the previous years as for the six months?

A. No, your Honor. The operating expenses were quite heavy for the years 1904 and 1905—very heavy. There is absolutely no way of going back for a period of two years to determine what the operation expenses were for any certain division or State. Unless you keep it beforehand you cannot go back, because there is no record kept of the material. The labor you can ascertain very readily from the payroll; but the material expense you cannot ascertain. I believe if actual expenses could be determined, they would be fully as much as those we have shown here.

The MASTER:

Q. The figures shown, as I understand you, were the nearest approximation you could make to the actual figures, from the data you had before you?

5652 A. Yes sir, at the time we were called upon to prepare this statement. You understand that some of the roads that are in this case, I believe have the figures nearly accurate, because they have been keeping these figures for years past.

Mr. MINNIS:

Q. What was the cost per mile of the maintenance of way for the year ending June 30, 1906?

A. $1235.11 per mile.

Q. On your cross examination you compiled some figures based

upon the supposition that the cost of maintenance for that year per mile was nine hundred and some odd dollars?

Q. $983.46.

Q. Those compilations or calculations were incorrect, insofar as the figures $983.46 were used as the cost of maintenance of way for the year ending June 30, 1906, weren't they?

A. Yes sir.

Q. What were the correct figures?

A. In the cross examination I was asked to make some compilation based upon $983.46 per mile, but the correct compilation should be made upon the basis of $1235.11 per mile.

The MASTER:

Q. Where did you get that figure, $983.46, Mr. Ladd?

Mr. LADD: The witness stated it. It was suggested the other day, not maliciously, of course, that I had put those words into Mr. Tobin's mouth. That was a mistake.

The MASTER: It was merely a misstatement of the amount.

Mr. LADD: We were all mistaken about it.

5653 Mr. MINNIS: The point I am making is, it was a mistake no matter who made it, and I wanted it corrected.

Mr. MINNIS: Mr. Tobin, explain to the Master how you ascertained the figures on our exhibits numbers 2, 3 and 4 which show the cost of maintenance of way for the calendar years 1904 and 1905?

A. In arriving at the figures for maintenance of way we took the same six months percentage that we did for the balance of the expenses.

Q. In other words, the figures which show the cost of maintenance of way on the exhibits referred to, for the calendar years 1904 and 1905, are arrived at by using the percentage you ascertained from the actual cost of maintenance of way for Missouri for the six months period ending January 1, 1906?

A. Yes sir.

The MASTER:

Q. So those two items do not represent the actual figures of the cost of maintenance of way, but only a percentage which you adopted from actual figures for the six months to which you have referred?

A. Yes sir, that is correct.

Mr. MINNIS:

Q. So the figures shown in the annual report, with respect to the actual expenditures for the system during the fiscal years 1904 and 1905 are not involved in arriving at that per centage, except such part as may have been included in the six months period ending January 1, 1906?

A. Yes.

Q. How much during the period ending January 1, 1906

5654 was changed to operating expenses on account of new equipment?

A. We made one charge in December, 1905, of three hundred thousand dollars appropriation for new equipment.

Q. Then the one hundred thousand dollars appropriated in March, 1906, for new equipment was not included in the figures from which you get your percentage of Missouri's expenses?

A. No sir.

Q. If we take the actual expense as kept by you for the fiscal year ending June 30, 1906, there was included in the cost of operation for that period of one year four hundred thousand dollars for new equipment?

A. Yes.

Q. Is that all that was included for new equipment for that period?

A. That is all covered by the appropriation.

Q. For that period?

A. Yes sir.

The MASTER: Then that was followed by another one hundred thousand dollars shown in the same report?

A. It is part of the four hundred thousand dollars.

Q. Oh, yes, $300,000 and $100,000?

A. Yes sir.

Q. Referring to your cross examination on page 390 you were asked "Supposing you had included in your statement Exhibit 5 $500,000 for the maintenance of way and track, and we will say maintenance of rolling stock, which means maintenance of
5655 equipment, I believe, what part of this $500,000 does this statement charge to interstate traffic?" And your answer was 28.77 per cent for 1904.

I will ask you if the percentage in that calculation was not based upon figures that were given you by the questions, and did not refer to the percentage that you arrived at from the actual expenses for the six months period?

A. That is true. Those figures were based upon an assumption. Is that the idea?

Q. Yes. They were based upon the figures that were given to you?

A. Yes sir, assuming that certain figures were correct.

Q. Mr. Tobin, you have said that the passenger business was abnormal during the year 1904; I will ask you whether the ratio of increase in revenue from passenger operation would indicate the ratio of the expense of handling the passenger business?

A. No sir, I think not.

Q. Why?

A. The increased passenger earnings does not necessarily mean increased passenger expenses.

Q. In proportion?

A. In proportion.

Q. Why not?

A. If the passenger travel increases fifty per cent, there is not necessarily any increase in the operating expenses on that account.

Q. Why?

5656 A. For instance, you take our train earnings; Train earnings on one day we will say, for example, may be $200. The

following day our train earnings may be $500 or $700. But there is no increase in the expenses whatever. The expenses are just the same. You can undoubtedly do three or four times as much passenger business without any increase in the expenses whatever.

Q. What period covered the World's Fair business?

A. The World's Fair passenger earnings commenced along about the middle of 1904 and business was heavy up to the close of the year. In fact in 1905 we had a great deal of business which was caused by the World's Fair.

Q. So the World's Fair business would show in the annual report for the year ending June 30, 1905?

A. Yes.

Q. What were the freight earnings as shown by the annual report for the fiscal year ending June 30, 1904, for that period?

A. $14,064,656.81.

Q. What were the freight earnings for the year ending June 30, 1905?

A. $13,650,185.54.

Q. How much less were the earnings from freight for the year ending June 30, 1905, than they were for the previous fiscal year?

A. About $400,000.

Q. Less?

A. Yes sir, about $400,000 less.

Q. Give the passenger earnings for those two periods?

5657 A. Passenger earnings for the year ending June 30, 1904 were $7,045,525.29; and for the year ending June 30, 1905, $8,917,828.77.

Q. How much more was earned during the latter year from passenger business than the former year?

A. About $1,900,000.

Q. That is for the whole system?

A. Yes sir.

Q. What were the earnings for the calendar year 1904 from the passenger business?

A. $9,105,378.16.

Q. And what were the earnings from the same business for the previous year?

A. $6,590,758.43.

The MASTER:

Q. Have you it for the year 1902?

A. Yes sir.

Q. What was it?

A. $5,885,917.38.

Mr. MINNIS:

Q. How much more were the earnings for the calendar year 1905 than the calendar year 1903?

A. $2,500,000.

Q. Give the freight earnings for the calendar years 1903 and 1904?

A. For 1903 $14,151,068.38. For 1904, $13,483,118.67.

Q. What is the difference?

A. A decrease in 1904 of about $670,000.

5658 Q. Those figures would indicate that the revenue from passenger service during the year 1904 was abnormal, wouldn't they?

A. Yes sir.

Q. Take the year 1905, what were the earnings from passenger business?

A. $6,817,468.35.

Q. How much less than the earnings for the year 1904?

A. About $2,300,000 less.

Q. Take it for freight during the calendar year 1905?

A. The freight earnings for the calendar year 1905 were $14,590,770.94.

Q. How does that compare with the freight earnings for 1904?

A. An increase of about $1,100,000.

Q. You have said that the passenger expenses would not increase in proportion to the increase from passenger earnings: Explain in detail why that is true?

A. Well, take for example a train from St. Louis to Kansas City: We have regular scheduled trains running between St. Louis and Kansas City. The expense of operating those trains is placed at a certain figure. We operate those trains whether they carry ten passengers or one hundred passengers.

Q. Or five coaches or ten coaches.

A. Yes sir, or one thousand passengers. We might carry ten passengers in one coach; we can carry one hundred passengers in that coach without any additional expense. A passenger steps in and buys his ticket, steps on the train and gets off. We get 5659 all the revenue. The expense is not increased. While with freight, with an increased business it means increased force, increased help, and it necessarily follows you have increased expense. Every pound of freight that is handled necessarily means an increase of cost.

Q. Do you know of any items that were expended for freight service during the years 1902 and 1903 and 1905 that were not expended for freight service during the year 1904?

A. During the years 1902, 1903 and 1905 there were expenses incurred on account of freight trains, freight cars, that were not incurred in 1905, because we did not operate the freight trains to the same extent in 1904 as we did in the other years mentioned.

Q. So there was less expense chargeable to freight during the year 1904 than during the normal year, was there?

A. Yes sir.

Q. You think there was?

A. I am sure there was.

The MASTER:

Q. Do you know whether that was true of other railroads centering here in St. Louis, during the same period of time?

A. It ought to be true with respect to certain roads, where there was only a single track. Take the passenger business we did in Missouri during the World's Fair period: We had a single track, and while we were operating those passenger trains, carrying passengers, we could not carry freight.

Mr. MINNIS: You did not carry as much freight as you could otherwise have done?

5660 A. We could not carry as much freight as we could otherwise have handled.

Q. What became of the normal amount of freight? There was certainly as much freight moved that year as any other year.

A. I presume other roads that did not touch St. Louis handled that traffic, which we otherwise would have received. Freight undoubtedly moved, but it moved by other routes and in other directions. We did not get the business, because we could not handle it. I remember well that our freight traffic department was complaining about conditions at that time, that they could not do the business. That is a fact.

Q. On account of the interference by the passenger traffic?

A. Yes sir.

The MASTER: Mr. Minnis, if you have those comparisons of freight and passenger expenses for those three years, in a table, you might file it as an exhibit here.

Mr. MINNIS: If your Honor would indicate the nature of the statement you desire, I will have it prepared.

The WITNESS: Here is a table I have prepared.

The MASTER: It was only this last table, this sheet handed me, that seems to indicate it. The other refers to certain data for fiscal years.

Mr. MINNIS:

Q. Was the calendar year 1905 a normal one for business for the Wabash Railroad?

A. I think so, yes sir.

Q. Mr. Tobin, in our exhibits two, three and four you divide the expense chargeable to freight and passenger on a percentage basis, do you not?

5661 A. Yes sir.

Q. I will ask you to prepare the figures that you used in arriving at that percentage, in the shape of a statement, so I can attach it to the testimony as an exhibit.

A. Here is the statement.

Mr. MINNIS: I will offer in evidence this paper as an exhibit in this case.

The paper referred to is marked Complainant's Exhibit 10.

Said paper is in the words and figures following, to-wit:

5662 Mr. MINNIS:

Q. What is Exhibit 10?

A. It shows the division of expense between freight and passenger for the whole year, for the six years ending June 30, 1906; and

the division of expenses between freight and passenger for Missouri for four periods ending September 30, 1906.

Q. The figures for the four periods are actual figures, aren't they?

A. Yes sir.

Q. And they give the division of expense between freight and passenger for Missouri both in amount and percentage?

A. Yes sir.

Q. On your cross examination you were asked to give the amount of rents collected by the company, weren't you?

A. Yes sir.

Q. For what period?

A. For the calendar years 1904 and 1905.

Q. I will ask you what rents were paid by the company during those years?

A. In the year 1904 we paid rental for the St. Louis, Council Bluffs and Omaha railroads $25,260.

For the Missouri, Kansas and Texas Railroad $26,755.

The Burlington Railroad for rent of Kansas City bridge $30,000.

And we paid identically the same amounts in the year 1905.

Q. That is in Missouri?

A. Yes sir.

5663 Q. Have you charged those items of rent paid, in any of the figures that you have compiled?

A. No sir.

Q. They are not included in any of the items which show the expense of the road during those periods?

A. No sir, they are not included at all.

At this point the usual hour for the noon recess having arrived, recess was taken until two o'clock P. M.

After recess the following proceedings were had.

Mr. MINNIS:

Q. Mr. Tobin, what were the rentals paid by the system during the calendar years 1904 and 1905, in addition to these you have spoken of as having been paid in Missouri?

A. We pay some very heavy rentals outside of Missouri, on the system in general. These three items I picked out as having been paid particularly in Missouri.

Q. I speak not of the system?

A. We pay the Grand Trunk Railway a rental approximating $300,000 a year.

Q. And did pay that rental during the years 1904 and 1905?

A. Yes sir.

Q. What other rentals are paid by the system.

A. We pay the Chicago, Burlington and Quincy Railway Company some rentals between East Hannibal and Quincy. I have not the figures at hand.

5664 Q. Approximately?

A. We pay the Ann Harbor Railway for a joint road between Toledo and Milan.

Q. How much?
A. $20,000 a year.
Q. And how much to the Burlington?
A. I think possibly $10,000 a year.
Q. What else?
A. We pay the T. P. & W. for rental between Fairbury and Forest and Elvastin and Hamilton. I think our rental there is $12,000 a year. There are various other rentals.
Q. I will ask you whether any rental paid by the Wabash Company has been charged in any of the statements you have made during your examination as a witness, to operating expenses?
A. No sir.
Q. I will ask you whether or not any rentals paid by the Wabash Company were charged to operating expenses in any of the annual reports referred to by you?
A. No sir. I may say, in that connection that the Interstate Commerce Commission specified that these rentals shall be charged to operating expenses, but we have not charged them to operating expenses. We have charged them to rentals and they are not included in these exhibits.
Q. You treat rentals which the company owes, the same as you treat its obligations to pay interest, don't you?
A. Identically the same, yes sir.

Q. You do not take account of the rentals paid in ascer-
5665 taining the revenue from operation?
A. No sir, we do not.

Q. You treat the rental the same as any other fixed charge, except taxes?
A. Yes sir.
Q. How are the expenses of terminals at Hannibal, Missouri divided between the States of Illinois and Missouri?
A. Approximately 65 per cent of the expense is charged to Illinois and 35 per cent to Missouri.
Q. Then you have included in the statements we have filed here as exhibits, as an expense for doing business in Missouri, only 35 per cent of the expenses incurred for terminals at Hannibal?
A. That is true, yes sir.
Q. Mr. Tobin, how much profit was earned by the Wabash Railroad on passenger business in the calendar year 1904, as shown by exhibits two, three and four; Did you make some figures for Mr. Ladd on that subject?
A. No sir, I might have through the testimony sometime, but I have not any before me just now. I could give them to you in a few minutes.
Q. I wish you would.
A. The passenger earnings for 1904 were $2,945,934.56, The total expenses for 1904 were $4,657,318.04. Taking 35 per cent as the cost of doing the passenger business would make the expenses $1,630,061.31, leaving a surplus on passenger business for that year of $1,315,873.25.
Q. Is that for Missouri or the system?

5666 A. That is for Missouri.

Q. In other words, what is the percentage of net earnings to total earnings in the passenger business of Missouri for that year?

A. About 45 per cent to earnings.

Q. What was the profit of the company on the passenger business in Missouri for the calendar year 1905 as shown by the same exhibits?

A. $191,752.01.

Q. What percentage of the total revenue were the expenses?

A. About 89 per cent.

Q. That would leave 11 per cent net earnings?

A. Yes sir.

Q. How much did the company lose on freight business in Missouri during the calendar year 1904?

A. The loss on freight business for the year 1904 was $558,333.17.

Q. Was there a profit or a loss in Missouri during the year 1904 from the doing of the mail, express and miscellaneous business?

A. In arriving at these figures we have taken freight and passenger exclusively. The expense of mail, express and miscellaneous, of course would be included in the passenger business. And in order to arrive at definite figures, you would have to take in the whole calculation.

Q. So the profit made that year was made on passenger, mail express and miscellaneous business?

5667 A. I should say on the passenger business, because the mail business would run along evenly; it is fixed by the Government. There is very little change on the express business. The variation is on the freight and passenger business.

Q. You think the bulk of the profit was on the straight passenger business?

A. Yes sir.

Q. What was the result of operation of the calendar year 1905, so far as freight business was concerned?

A. A loss of $172,305.43.

Q. What was the result of operation so far as passenger business was concerned in Missouri, during the calendar year 1905?

A. I gave you that before. 89 per cent.

Q. The annual report for the year ending June 30, 1905, shows a deficit of $1,459,372.39, doesn't it?

A. Yes sir.

Q. In your cross examination I believe you stated that the percentage of expense of way business in Missouri for the year ending June 30, 1906, was 59.52 per cent?

A. Yes sir.

Q. Does that include any extra cost for doing local business?

A. No sir.

Q. That percentage is based upon the assumption that the cost of doing intrastate business is no greater than doing interstate business?

5668 A. That is true, yes sir. Attention was called to Exhibit 2, which provides that the extra cost is to be added to these figures.

Q. Referring to the net earnings of the Hannibal bridge I believe you stated that such earnings were $162,749.63 during the year 1904: Is that correct, can you say from memory?

A. I think those are the figures.

Q. What were the net earnings for 1905?

A. The earnings for the Hannibal Bridge for the year 1904 were $109,572.30. For 1905, $162,749.63.

Q. Do you regard that as earnings on intrastate business in Missouri?

A. No sir, it has no connection with intrastate business.

Q. And for that reason you did not take it into account in preparing your statement?

A. I do not think it has any connection with the earnings in Missouri, outside the State. We do not think it belongs there and we did not put it there.

The MASTER:

Q. Did you consider it in the interstate earnings for Missouri?

A. No sir.

Mr. MINNIS:

Q. Did you think it properly belongs in interstate earnings?

A. No sir.

The MASTER:

Q. Why not? Every pound of freight that was carried over that bridge was moved at least some distance in the State of Missouri, wasn't it?

A. Yes sir.

5669 Q. Why then isn't it interstate?

A. The earnings of the bridge have no connection with hauling of the freight at all. We compiled this statement showing earnings in Missouri. We did not consider that Hannibal Bridge earnings were earnings in the State of Missouri.

Mr. MINNIS:

Q. The bridge involves a separate proposition, it has no connection with the State of Missouri?

A. It has no more connection with the State of Missouri than it has with the State of Illinois.

Q. And has nothing to do with the railroad, proper?

A. No sir, it is an outside corporation and is leased by the Wabash Railroad Company.

Q. And whatever is derived by the Wabash Railroad Company from the Hannibal Bridge is a profit on its investment in the lease, and not on the business?

A. That is true.

The MASTER:

Q. I think your examination in chief went into the matter in detail, in which you stated that you kept those accounts entirely separate from the railroad accounts?

A. That is true, yes sir.

Mr. MINNIS:

Q. The earnings arising from the bridge is like earnings arising from an investment?

A. Altogether. It is kept altogether as an outside account and has nothing whatever — with the operations of the road.

Q. Does the Wabash Railroad Company keep any renewal fund or fund for the purpose of providing for the renewal of its property?

A. No sir, it does not. As the renewals are made, they are
5670 charged to operating expenses. Different roads have different systems. Some roads have a renewal account and they charge operating expenses with the renewals. Other roads, as the renewals are made, charge them to operating expenses.

Q. Mr. Tobin, do you know who holds the title to the property which now constitutes our Second street or Collins street depot, concerning which you testified in your cross examination that some rents were collected for buildings before they were torn down and the new depot built?

A. I don't know that I could testify to that. I probably know but I cannot testify to it. That is to say, I am not certain. My impression is, the Bowling Green Trust Company.

Q. Was that property that was purchased taken in the name of the Wabash Railroad Company?

A. I think not.

Q. I will ask you if it was not paid for—taken in the name of various parties and afterwards paid for by the Bowling Green Trust Company?

A. I think that is the way it was handled. I know part of it was handled that way, but just how much I do not know.

Q. I will ask you further if the whole property was not involved in the purchase money mortgage?

A. Yes sir, it was.

Q. And its rentals arising from these buildings belong to the owners of that property?

A. Yes sir. That was so handled. It was kept out of the operation of the company altogether.

Q. That is a special transaction, isn't is? And the whole
5671 thing finances entirely separate from the other properties of the Wabash Railroad Company?

A. Yes sir.

Q. In other words, the mortgage of that property is a first mortgage and is not subject to any of the mortgages on the Wabash Railroad Company, isn't that your understanding?

A. I do not think I am familiar enough with the mortgage to testify, without going into the question and looking at it.

Q. At any rate, these rentals are not income from operation?

A. They have no connection with operation, and are kept entirely separate.

Mr. MINNIS: I offer in evidence a paper showing earnings for the calendar years 1902, 1903 1904 and 1905.

Q. What is Exhibit 11?

A. Exhibit 11 shows earnings by calendar years, for the years, 1902, 1903, 1904, 1905.

The paper referred to is marked Complainant's Exhibit 11. Said paper is in the words and figures following, to wit:

5672 Recross-examination.

By Mr. S. B. LADD:

Q. Will you give me your passenger receipts for the year ending June 30, 1901 for the whole system?

A. Passenger receipts $4,982,694.25.

Q. And for 1902?

A. $5,780,240.62.

Q. And for 1903?

A. $6,135,500.85.

Q. And for 1904?

A. $7,045,525.29.

Q. And for 1905?

A. $8,917,828.27.

Q. And for 1906?

A. $6,723,658.43.

Q. You testified on your direct examination this morning in this way: If the passenger travel increases 50 per cent there is not necessarily any increase in operating expenses on that account: You testified right after that in this way: "You can undoubtedly do three or four times as much passenger business without any increase in the expenses whatever."

Now, I wish you would take your Exhibit 10, which has been compared, and which has been offered here, and look at your passenger earnings, and see if you still repeat what you said this morning?

A. I can repeat——

Q. Just look at it, will you?

5673 A. I can repeat what I said this morning without looking at any figures whatever, and I will confirm my statement. I used the word "necessarily," and I will use it again, that doing increased passenger business does not necessarily increase the expenses.

Q. You said you could do three or four times as much passenger business without any increase in the expenses whatever: Did you increase your passenger business in any of those years without any increase in your expenses?

A. I confirm my statement there, by stating that if we had regular scheduled trains and we carried ten passengers on a train, that we could carry fifty passengers on that same train without any increased cost.

Q. Your passenger earnings for the year ending June 30, 1902

were $798,000 greater than they were in 1901, and your passenger expenses were $735,000 greater: How do you explain that?

A. And I believe we could have increased our passenger earnings without having increased those expenses. We had the trains and we could do the business.

Q. You increased your expenses $735,000 in order to increase your earnings $798,000?

A. If the figures so show it.

Q. Do not they show it, your own figures, that you have given in here?

A. I am still of the same opinion I expressed this morning, that we can do an increased business without an increased cost.
5674 I cannot make it any plainer. We have trains, on which the business is light. Those trains are run on schedules. There is a certain amount of expense in connection with them. We can increase the earnings of those trains if we can get the business, without any increase of cost. That is undoubtedly true.

Q. According to the figures you have given me on passenger expenses and passenger earnings for your system, you earned in 1902 $798,000 more than you did in 1901; your expenses were $735,000 more. For the fiscal year 1903 you earned $355,000 more than in 1902, and your passenger expenses were $670,000 more. For the fiscal year ending June 30, 1904, you earned $910,000 more from your passenger service, and your expenses were $432,000 more. In 1905 you earned $1,872,000 more than you did in 1904, and your expenses were $1,914,000 more. And in 1906 you earned $2,194,000 less than in 1905 and your passenger expenses were $1,388,000 less:

Mr. Tobin, does not that demonstrate that the opinion which you expressed this morning is incorrect? That you can add to your passenger receipts 50 per cent without adding any expense and that it is undoubtedly true you can do three times as much passenger business without any increased expense whatever?

A. I cited a case this morning and I still stick to it. We may have had to put on more trains. More trains means more expense. I said this morning we could increase our earnings without increasing our expenses. And that is plain to any man of
5675 common sense. It does not require an expert or accountant to testify to that. If we have a train running from St. Louis to Kansas City and we have got fifty passengers on that train, we can just as well carry one hundred or one hundred and fifty passengers and get that much more revenue. It does not cost any more money. We have the train. We cannot abandon the train. It is a scheduled train.

The MASTER:

Q. What do you say for a given period, say a year, where you increase 50 per cent the passenger earnings, would or would not that increase the passenger expenses?

A. If you increase the passenger service without a corresponding

increase in your earnings—you may put on additional trains, you know.

Q. Would not such an increase reaching over a given period, including the whole passenger business, necessarily increase the expenses?

A. I think so, yes sir.

Mr. MINNIS:

Q. That is true, but it is also true that you can earn more money without additional expense?

A. There is no question about that whatever.

Mr. LADD:

Q. These figures also show, according to my calculations, and they are not far out of the way, I think, that from 1901 to 1906 your passenger earnings for the system increased $943,000. That is to say, your passenger earnings in 1906 were $943,000 more than they were for the year ending the middle of 1901, and that your passenger expenses were $1,428,000 more for the year ending June 30, 1906, than they were for the year ending June 30, 1901.

5676 Now, you — on your direct examination, if I correctly understood you, that the terminal expenses at Hannibal, were charged 65 per cent to Illinois and 35 per cent to Missouri. Is that right?

A. That is true.

Q. What did you mean by "Terminal expenses at Hannibal": What did you include?

A. All of the expenses in maintaining the freight station and the terminals at Hannibal.

Q. When did you begin doing that?

A. We have been doing it for a number of years.

Q. On what basis is it done?

A. Well, it is an arbitrary basis that we fixed some years ago. In making a division between the lines and branches, we keep the operation of the M. K. & T. track separate, because it is a leased track. We lease it from the M. K. & T. from Hannibal to Moberly, and we made that division in order to charge a part of the expenses at Hannibal to the M. K. & T. track. The M. K. & T. track was about seventy miles long, and we charged them 35 per cent and we charged Illinois 65 per cent.

Q. Do you divide that up between accounting divisions?

A. Yes sir.

Q. Where is the line of the accounting division, at or near that point?

A. We charge 65 per cent to the accounting division number 17, covering the line from Decatur to Hannibal and Quincy and the Pittsfield branch. We charge to accounting division number 24, 35 per cent. That takes in the M. K. & T. division between

5677 Hannibal and Moberly?

Q. Is Hannibal in the accounting division to which you charge 65 per cent?

A. No sir.
Q. It is not included?
A. No sir.
Q. Do I understand you to say that the river is the line for the accounting division?
A. Yes sir, the river is the line, but the business done at Hannibal is partly chargeable to Hannibal because all of the work done that might possibly be done at Hannibal is done at Hannibal.
Q. What division is Hannibal in?
A. Hannibal proper is on the M. K. & T. division accounting division number 24.
Q. What accounting division by number is the territory immediately east of Hannibal, across the river?
A. That is in accounting division number 17.
Q. I think you spoke of accounting division number one?
A. No sir, number one is the Buffalo division.
Q. 65 per cent is charged to accounting division number 17: Is that it?
A. That is true.
Q. And 35 per cent is charged to accounting division number 24?
A. Yes sir.
Q. I would like to know if a part of that 65 per cent is not charged to Missouri?
5678 A. No sir, the 35 per cent is charged to Missouri.
Q. Isn't a part of the 65 per cent charged to Missouri?
A. No sir, I think not.
Q. Are you sure about that?
A. I am quite sure of it. My figures show the division.
Q. Is not part of the sum charged to accounting division number 17 charged to Missouri?
A. No sir. The terminals at Hannibal are prorated between Missouri and Illinois on these accounting divisions, on the basis I have just stated, 35 per cent to Missouri and 65 per cent to Illinois.
Q. You said there had been very little variation in the earnings from mail, express, etc. from year to year, is that right?
A. That is right—well, I referred particularly to mail earnings. You take mail earnings and they run along about the same.
Q. You said express?
A. I have not finished yet. Except when the re-weigh occurs then there is some change made in mail earnings.
Q. How often is that re-weighing done?
A. Every four years.
Q. I understood you to say, speaking generally a while ago that there was very little variation in the mail and express earnings, with the exception of such change as might occur upon the re-weighing of the mail: That is correct?
A. Yes sir, with the re-weighing there is more variation in the mail than in the express earnings.
5679 Q. You were asked by Mr. Minnis to look at your statement Exhibit 4 and you stated that the passenger earnings for the year 1904 were $2,941,934.56?
A. Yes sir.

Q. The freight percentage is 65 per cent, the balance is 35 per cent, and from that you worked out the profit on the passenger earnings of 45 per cent: Is that right?

A. That is right, yes sir.

Q. Didn't it cost you anything to earn $737,000.92 for mail and express that year?

A. I stated the figures I gave were freight and passenger.

Q. Did you take the freight and passenger; what I want to know is, where you have anything left to do your mail and express business with, you charged 65 per cent to freight and 35 per cent to passenger, exclusively?

A. Yes.

Q. Now, I ask you, if you did your mail, express and miscellaneous business for nothing?

A. The mail and express business is a part of the earnings of a passenger train.

Mr. MINNIS: That is all of it, isn't it?

Mr. LADD:

Q. Look at your figures if you have them there, and you will see you did not take in the figures for the mail and express at all?

A. I so stated when I gave the figures.

Q. Then how do you make out that profit, unless you incorporated that in there?

A. We were figuring on freight and passenger earnings.

5680 Q. You charged up all the expense, except freight expenses, to strictly passenger business, and worked out your percentage in that way?

A. I gave the figures I was asked to give and confirmed my statement by saying that included freight and passenger earnings.

Q. Have you the figures there?

A. Yes sir.

Q. You took the figures $2,945,934.56, didn't you?

A. Yes sir.

Q. That is exclusively passenger earnings?

A. Yes sir.

Q. And you worked out your 35 per cent. What is 35 per cent of the total operating expenses for that year $1,630,000?

A. Yes sir.

Q. And you disregarded entirely the item of $737,125.52, earnings of Missouri express and miscellaneous and taxed the whole 35 per cent to your passenger earnings: Didn't you do that?

A. I stated a moment ago that the mail——

Q. Isn't that what you did, to reach those percentages?

A. I stated a moment ago that the mail and express earnings were part of the earnings on passenger trains.

Q. They why didn't you put them in?

A. I was asked to give some percentages on passenger earnings, which I did; and on freight earnings, which I did.

5681 Q. And didn't you do the same thing for the year 1905? Didn't you take the total passenger earnings $1,778,767.61

and entirely ignore the mail and express earnings, which amounted to $778,000, so as to reach your profit of 10.8 per cent?

A. I can state only what I said before in reference to 1904.

Q. In other words, did you leave anything to earn your mail and express earnings? You exhausted all your operating expenses on freight and strictly passenger business, and left your mail, express and miscellaneous business to earn itself, including the switching, amounting to thousands of dollars every year.

Now Mr. Tobin, I understood you to have testified some time ago and repeatedly here, that you arrived at the operating expenses in Missouri by ascertaining as definitely as you were able to do, what they were for the last half of 1905, and striking a percentage between that amount of total operating expenses of the system, and applying that percentage to the operating expenses of the system for the preceding eighteen months, and in that way you got at the operating expenses for 1904 and the first half of 1905; Is that correct?

A. That is ture.

Q. You also stated, if I remember correctly, that Missouri was charged with 30 per cent of the entire expenditure for maintenance of way: Is that correct?

A. That is true, about 30 per cent.

Q. Please look at page 14 of the report for the year end-
5682 ing June 30, 1906: You were asked whether the figures found on that page under the head of "Additions, Improvements and extraordinary repairs and renewals" included any operating expenses, were included in this percentage which you struck, and you said no. But I will ask you if all of these additions and improvements included in operating expenses of the system which are shown or are footed upon that page, as having been incurred or charged to operating expenses in the years 1904 and 1905—whether Missouri's proportion of that was not included in your figures here of expenses chargeable to the Missouri part of the system: 30 per cent of those for maintenance of way and 20 per cent of those for maintenance of equipment?

A. That is true so far as the expenditures were incurred after January 1, 1904. This takes in a previous period of six months, which was not included.

Q. I know it does. This is a fiscal year. It also includes 20 per cent of $300,000, being part of that $400,000 item of appropriation for new equipment, doesn't it?

A. Yes sir.

Q. Please look at page 12 of the annual report for the year ending June 30, 1906; The cost per mile on the system of maintenance of way and structures for the year ending June 30, 1906 is stated there in one column, isn't it, at $983.46, and in another column at $1235.11?

A. Yes, sir.

Q. The last figures being the cost per mile including additions and improvements, and the $983.46 being the cost per mile
5683 excluding additions and improvements: That is right, isn't it?

A. Yes, sir.

Q. And the table shows that is stated in both ways, doesn't it?

A. Yes, sir.

Q. Mr. Minnis asked you to refer to page 4 of the annual report for the year ending June 30, 1905, and I have asked you what the deficit was and you stated that the deficit for that fiscal year ending June 30, 1905 on the system was $1,459,372.30: Now, Mr. Tobin, that deficit was reached after putting $3,368,572.17 as interest on bonds, wasn't it?

A. Yes, sir.

Q. And after paying also other additions on property amounting to $656,862.95?

A. That is true.

Q. Also after paying sinking fund charges on account of new equipment and steamers $678,936.72: In that right?

A. That is true.

Q. Now, what was the amount of your net earnings from operation: Is that shown there?

A. Net earnings from operation for the year ending June 30, 1905, $2,009,199.78.

The MASTER:

Q. On what page of the report do you find that?

A. On page 40.

Mr. LADD: Look at page 4. That is the page that was referred to on your direct examination.

5684 The MASTER: Certain pages of this report have been referred to several times and certain specific pages have been offered in evidence. But exhibits have not been made of the reports themselves. Wouldn't it be well to offer those reports as exhibits?

Mr. MINNIS: It has been suggested that counsel should refer to these reports.

Mr. LADD:

Q. What were the net earnings for the year ending June 30, 1905 as shown by the table on page 40?

A. $2,009,199.78.

Mr. TOBIN: Why did you take that instead of taking the amount on the second line above?

A. The second line, referred to——

Q. "Net earnings from operation": Now, what were the net earnings from operation as shown by that table?

A. $3,344,999.45.

Q. So there was not any deficit, was there?

A. Yes, there was a deficit. $1,459,000 deficit for that year.

Q. All right if you say so.

A. You must take into consideration the fixed charges of a road, which are just as much to be considered as operation.

Mr. LADD: In that connection, I will offer the table on page 40

of the annual report of the Wabash Railroad Company for the year ending June 30, 1905.

The table referred to is in the words and figures following, to-wit:

5685 Mr. LADD:

Q. You spoke this morning, in answer to a question of Mr. Minnis, in relation to the density of traffic, and illustrated it by some figures which you gave on what you call the Detroit division?

A. Yes, sir, the Detroit division.

Q. Now, will you state that over again?

A. I stated that the density of traffic on the Detroit division was more than twice as heavy as it was on what is known as the Moberly division, west of the river.

Q. Have you the figures there or do you just state that?

A. I state that as a general proposition.

Q. Do you mean by that, twice as many tons carried as there were on the Moberly division?

A. Yes.

Q. Per mile, is that?

A. I should say the density of traffic referred to this morning on the Detroit division in the State of Michigan is fully twice as much as it is on the lines west of the river.

Q. Do you mean twice as many ton miles or twice as many tons carried?

A. I should say twice as many tons.

Q. Twice as many tons?

A. I should say so, off-hand, without having the figures before me.

Q. Twice as many tons carried over the Detroit division as over the Moberly division, which includes Missouri. Is that right? I want to get exactly what your statement is.

A. I will make this statement: That the density of traffic in Michigan is very much heavier than it is west of the river.

5686 Q. What do we understand by density of traffic?

A. The freight traffic passing over a line of road.

Q. That means the number of tons?

A. Yes, sir, the number of tons.

Q. The number of tons of freight?

A. That is it.

Q. Is very much greater passing over the Detroit division than it is over the Moberly division?

A. Yes, sir.

Q. Do you mean over the same number of miles?

A. No, sir, I am speaking now about the heavy traffic passing over that road as compared with the amount of traffic passing west of the river. In other words, the number of——

Q. Is this it: That the number of tons of freight carried over that Detroit division in a year is greater than the number of tons carried over the Moberly division in a year?

A. Yes, sir.

Q. Is that it?

A. Yes, sir.
Q. How much greater?
A. I don't know. But very much greater.
Q. What is the Detroit division. You said in Michigan?
A. Yes, sir, in Michigan.
Q. You confine it to that, do you?
A. I confine it to that, because——
Q. You spoke about Michigan this morning?
5687 A. Because we compared a statement of the earnings in Michigan as compared with Missouri.
Q. Exactly, and you thought it was not fair to give Missouri a proportion of the gross interstate earnings on a mileage basis, and this was to illustrate that?
A. On account of the earnings being so much heavier than in Missouri.
Q. You have overcome your reluctancy since last week, to speaking as to your method of keeping books.

Counsel for Complainant objects to that statement.

Mr. LADD:

Q. How many miles of your road are there in Michigan?
A. About one hundred miles.
Q. Have you a map here? Do you know the first station your road strikes in Michigan, going north or going east?
A. Going west we come out of Detroit, and the first station will be Delray.
Q. I don't want that end. I want the other end. The first station in Michigan which your road strikes, going east?
A. The first station is Munson, Michigan.
Q. How far is it from there to Detroit?
A. 79.5 miles.
Q. You have a line from Montpelier in Ohio. You have a line from Chicago to Buffalo, haven't you?
A. Yes, sir.
Q. And that runs as far as Montpelier. You have a line going from Kansas City to St. Louis and this whole western country up to Montpelier, also?
5688 A. Yes, sir.
Q. So that the traffic from Kansas City to St. Louis intended for the east, as well as from Chicago going to the east, is concentrated here at Montpelier and carried over that little patch of 79 miles to Detroit?
A. Yes, sir.
Q. No wonder the traffic is dense, when it is packaged there in that little part in Michigan?
A. More density in Illinois is made up.
Q. Doesn't that account for it, all this Chicago traffic and St. Louis traffic and Kansas City traffic all gets together here at Montpelier, and is turned off on that little piece of 79 miles from Munson up to Detroit? Doesn't that account for the density of traffic?

A. Yes, sir, but it also accounts for the large maintenance, to which attention was drawn particularly, on that account.

Q. I do not think there is anything fair or unfair about your way of dividing up your earnings now. I don't care. I think very likely you are right and that the system you are now using is wrong.

Can you give me the freight earnings per mile on the road on that Detroit division?

A. We can work the figures up.

Q. How do you keep your freight earnings, by revenue train miles?

A. No, sir.

Q. Have you any figures upon that theory?

A. No, sir.

5689 Q. You were not speaking of any particular period?

A. No, sir. What brought this about was simply to show that the earnings we reported for Missouri this morning for the three months you called for, were not actual. In order to confirm my position on that I gave you an illustration of what the earnings were in Michigan, under the old and the new basis. That is all there was to that.

Q. With traffic so dense as you say it is over that little strip of road in Michigan, there must be a good deal of wear and tear on the track, naturally: Isn't that so?

A. The more trains you run over a track the more wear and tear there is on the track.

Q. The expense of maintaining such a track, subjected to such use, is greater than is the density of traffic was less: Isn't that so?

A. That is true.

Q. But still you charge Missouri 30 per cent of the entire outlay for maintenance of way and structures?

A. Yes, but——

Q. Although the mileage of Missouri is only about 26 per cent?

A. You must bear in mind that in arriving at the expenses for six months, we took into consideration the wear and tear on the tracks, you speak of. A proportion was charged to that accounting division, upon the basis of the number of train miles passing over that track.

Q. Mr. Tobin, charging to Missouri 30 per cent of your total outlay for maintenance of way and structures amounts to—I

5690 have forgotten how much—but a very large and extraordinarily large sum of money per mile, the average per mile, although the wear and tear of it cannot be anything like what it is in the state of Michigan or any other point where the traffic is heavy: Now, how do you explain that? Do you think that is right?

A. I do not think I am competent to answer that question about the condition of the track, etc. That I will have to leave to someone else.

Q. Mr. Tobin, you testified that under the new plan of apportioning interstate freight earnings, adopted July 1, 1906, the freight earnings of Missouri for the months of July, August and Septem-

ber, 1906, as reported by you, amounted to 28 per cent of the freight earnings of the system, as compared with the road mileage percentage of only 25.98 per cent in Missouri: Doesn't this mean that the intrastate freight earnings in Missouri are more per mile of line that in the other States your road runs through?

A. No, sir, I don't know, I don't think so.

Q. Let me put it to you in another way: Another question to elicit the same information: If dividing the whole body of freight earnings on a road mileage basis, giving Missouri 25.98 per cent allows Missouri less than the plan of assigning intrastate freight earnings to each State to which they belong, and dividing interstate freight on a road mileage basis, alone, doesn't it s-ow that the intrastate freight earnings in Missouri are higher per mile than in the other States?

5691 A. No, sir, I don't think you can take these figures as being accurate enough to determine that. A great many of these figures were based upon a percentage basis.

Q. Theoretically, wouldn't you expect this result to follow?

A. I would have to go into it deeper to find out.

Q. Referring again to the Hannibal Bridge: Bridge tolls are deducted from the freight earninges to start with?

A. Yes, sir.

Q. Couldn't you raise your bridge tolls so high that they would absorb all the Missouri interstate earnings?

A. I do not think that is a reasonable question.

Q. The higher the tolls on the bridge are, which is owned by the Wabash Company or operated by the Wabash Company, and kept in an entirely separate account, the worse it is for the State of Missouri in a litigation like this, isn't it?

A. In fixing those tolls there is some reason used, certainly, in making the tolls. There is some foundation for all these things and if the tolls were raised they would have to have some foundation or reason for doing it.

Q. What did you say the net earnings were?

A. For what period?

Q. For one year, 1905, was it?

A. For the year ending 1904, $109,000.

Q. And for 1906?

A. I have not the figures.

Q. And for 1905?

A. You asked for two years. $162,000.

5692 Q. For the year ending June 30, 1906?

A. I have not those figures here.

Q. Aren't they $217,000?

A. I don't know what they are.

Q. I will ask you if they are not $217,000, after paying the rentals?

A. I don't know. You asked me for the figures for 1904 and 1905 and I worked those up. Those are the only two years I have here. I have not the fiscal year ending June 30, 1906 here.

Q. Wouldn't you consider a net revenue of $217,000 an extraordinary investment?

A. There would be many things to be taken into consideration in answering that question. The question of co-se of reconstruction of the bridge, etc.

Q. The owners of the bridge get $68,000?

A. Yes, sir, they get a rental of $68,000 per annum.

Q. And if you make that rental and your operating expenses and $217,000 besides, isn't that an extraordinarily fine investment?

A. Possibly, for one year, yes sir.

Q. What are your other years?

A. $109,000 for one year.

Redirect examination.

By Mr. JAMES MINNIS:

Q. Referring to the density of traffic, how many miles were comprised in what you call the Michigan or Detroit Division?

5693 A. In the State of Michigan proper we have about 100 miles—to be accurate it is 105 miles.

Q. I am talking about the Detroit division of which you spoke this morning?

A. About 302 miles.

Q. So there are about 302 miles in the Detroit division?

A. Yes, sir.

Q. And there are more than 800 miles west of the river?

A. Yes, sir, about 850 miles.

Q. When I asked you about the comparative density of traffic between the Detroit division and the lines west of the river, as I remember it you said there were more tons passed over the 302 miles constitution the Detroit division than passed over the entire 850 miles constituting the division west of the river?

A. I think that is true, yes, sir. At any rate the density of traffic is very very much heavier east of the river than it is west of the river, as a general proposition.

Q. As I understood you this morning you stated the density was less west of the river?

A. Yes, less west of the river.

Q. Do any other companies use the Hannibal bridge?

A. No, sir.

Q. No other companies use that bridge besides the Wabash Railroad?

A. No, sir.

Q. How are the tolls charged on that bridge as compared with the tolls on other bridges similarly situated?

A. I believe the tolls are about the same on the bridges.

5694 So far as I know, they are.

Q. There is a proceeding pending now in the War Department, requiring the company to change that bridge, and it will involve the expenditure of a large sum of money, isn't that true?

A. I think that is true, yes, sir. If that is done it will have a very bad effect on this large surplus we speak of here.

Q. I believe the War Department has ordered the bridge changed, hasn't it?

A. I don't know definitely. I know something is up but what the final decision has been, I do not know.

Q. Referring now to the profit on passenger business, I understood you this morning to say that the expense of doing the business which is indicated "Mail, express and miscellaneous" was taken out of the passenger earnings proper?

A. Mail and express earnings are considered as part of the earnings of a passenger train.

Q. I understood that. But in the division of expenses you take 65 per cent of all the expenses and charge that to freight?

A. Yes, sir.

Q. Now, you take 35 per cent and charge that to passenger?

A. Yes, sir.

Q. That makes one hundred per cent?

A. Yes sir.

5695 Q. Somewhere along the line you must have included the expenses for doing mail, express and miscellaneous business?

A. That is part of the passenger business. It is part of a passenger train expense.

Q. I understand that, but I am talking about expenses. I know where the mail is carried and where the express is carried, but we ware talking about the item of expenses?

A. The expense of doing mail business and express business is charged to passenger, and is in that 35 per cent.

Q. Therefore, in computing the profits, the earnings from mail, express and miscellaneous would be profit, in addition to the profit you worked out from the passenger business, wouldn't they?

A. It would be.

Q. Taking the amount you worked out as profits from passenger business, and adding to that the amount earned from mail, express and miscellaneous, would give the total profit on passenger business, mail, express and miscellaneous, wouldn't it?

A. Just that much greater.

Q. Now, with regard to earning more from passenger service without increasing the expenses, I want to understand that myself: As I understand you, the only point about that is, that where you have a train running on schedule, there is so much expense attached to the operation of the train whether it is loaded or empty?

A. That is true.

5696 Q. And you simply stated that where the trains are loaded you earn more money at the same expense than you do where the trains are only partially filled.

The MASTER: Don't you think the witness has been sufficiently over that subject?

Mr. MINNIS: I want to understand that myself.

Mr. MINNIS:

Q. That is all you made out of it?

A. I said we could do more passenger business, if we could get the

business, without more expense. The trains are scheduled and must run, and the more we get out of the train, the more it is for us.

Q. If we put on extra passenger trains that would involve extra additional expense?

A. Yes, sir. And if those passenger trains were not a necessity the result would be that the expense would be high and the earnings would not correspond.

Q. What were the total rentals paid, if you have the figures now, for the entire system for the year 1904?

A. I have one year here ending June, 30, 1905, which covers one half of each period of the accounting period. The amount paid for rental during that year was $883,000.

The MASTER:

Q. Does that include the Wabash Bridge at Hannibal?

A. No, sir, that has no connection. As I stated this morning, that is kept separate altogether and does not enter into these accounts. $883,000 and $26,000 making a total of $910,000 that we paid for rentals during that year.

5697 Mr. MINNIS:

Q. It was about the same the year before?

A. In round figures about the same.

Q. No part of which has been charged to operating expenses in any of the figures given by you or given in the annual report?

A. No, sir.

Recross-examination.

By Mr. LADD:

Q. How much of it was in Missouri?

A. About $82,000.

Q. What was that for?

A. That was for rental of the Kansas City bridge.

Q. How much?

A. $30,000.

Q. What else?

A. Rental for the M. K. & T. $26,700.

Q. What else?

A. Rental for the St. Louis, Council Bluffs and Omaha $25,300.

Redirect examination.

By Mr. JAMES MINNIS:

Q. How much interest or rental does the company pay per annum for the Collins Street freight depot?

A. I have not the figures here for that. I have the interest on the terminal bonds, but it does not cover as late a period as you should have on that, nor does it separate between bonds and covering the Collins street and other terminals.

5698 Q. Can you give the statement of the rental for interest we pay on the Collins Street property?

A. Yes, sir.

5699 HENRY MILLER, a witness of lawful age, being duly produced, sworn and examined, on the part of the Complainant, testified as follows:

Direct examination.

By Mr. J. L. MINNIS:

Q. Please state your name?
A. Henry Miller.
Q. Where do you live?
A. St. Louis, Missouri.
Q. What is your business?
A. General Manager of the Wabash Railroad.
Q. How long have you been general manager of the Wabash Railroad Company?
A. Since May 1, 1905.
Q. What was your business before that time?
A. General Superintendent of the Burlington Railroad.
Q. Where is that railroad located, partly in Missouri and partly outside of that State?
A. My jurisdiction was largely in Missouri.
Q. How long were you general superintendent of the Burlington road?
A. About three years.
Q. What was your business before that?
A. Division Superintendent.
Q. Of the Burlington?
A. Yes, sir, the same road.
Q. What division?
A. What was knows as the Hannibal division, a line between St. Louis and Hannibal and the Chicago, Burlington and Kan-
5700 sas City, between Burlington and Carrollton.
Q. What was your business before you were superintendent of that division?
A. Assistant superintendent of the same territory.
Q. How long were you assistant superintendent?
A. About ten years.
Q. What did you do before that?
A. I was train master.
Q. On what road?
A. The same road.
Q. How long were you train master?
A. About two years.
Q. What was your business before that?
A. Yard master.
Q. For the same company?
A. Yes, sir, the same company.
Q. How long were you yard master?
A. About ten years.
Q. What business were you engaged in before that?
A. I was in the shop a short time before I went into the yard.
Q. What did you do before you were in the shop.

A. I went to school.

Q. What time did you enter the railroad service? How old were you?

A. About 1880.

Q. What was your age then?

A. Sixteen.

5701 Q. Have you been continuously since that time, engaged in the railroad business in these various positions you have named?

A. Yes sir.

Q. What kind of a country does the Wabash line from St. Louis to Kansas City extend through or over; upland or upland and bottom, or what?

A. It is upland from here to Salisbury and from there it runs through the Missouri valley.

Q. Doesn't it run near the Missouri River bank?

A. It does in many places.

Q. What effect does that location of the river, along near the Missouri River bank, have on the expense of maintenance and keeping the property up?

A. It has a tendency to increase the cost.

Q. In what way?

A. On account of the necessity of moving back. I think the line has been changed at least in four places between Keytesville and Kansas City. The erosion of the river, every time it comes up, does more or less damage to the banks.

Q. Do you spend more or less money *to* riprap-ing, repairing the damage?

A. Yes sir, it is a constant expense.

Q. What has been the comparative expense of maintaining the Missouri property since you have been General Manager of the Wabash?

A. It is a little more expensive in Missouri than on the balance of the system.

5702 Q. It is more expensive?

A. Yes sir.

Q. Mr. Miller, how do the earnings of the Wabash Railroad for the fiscal year ending June 30, 1906, compare with the earnings for the previous year, not in figures but has there been an increase in earnings?

A. Somewhere.

Q. How about the earnings from freight?

A. They are considerably higher.

Q. A large part of the increase in total earnings arises from the freight business during the year 1906, doesn't it?

A. Yes sir.

Q. And the freight business is increasing now?

A. You mean this year?

Q. Yes.

A. Yes.

Q. From month to month and week to week?

A. Yes sir.

Q. What can you say with respect to the railroad or business situation in general, say, for the year past, as compared with previous years?

A. As to business?

Q. Yes.

A. It has been very much heavier.

Q. I believe there is a general complaint now that railroads have not motive power and equipment enough to move the business of the country, isn't there?

A. That is true.

5703 Q. We prepared and offered some figures in this case which show that for the calendar year 1904 the company lost money on the freight business in Missouri; and also for the year 1905: I will ask you if from your knowledge of the property and business of railroading in general, your opinion as to whether the Wabash was operating freight business in Missouri during those two years at a profit or at a loss.

The question is objected to by counsel for Defendant. Figures have been submitted here.

Mr. MINNIS: Mr. Ladd asked the Auditor if he had ever heard anybody say that the company had lost money. I presume his idea was that the general presumption of the officers was that they had made money.

The MASTER: If this witness is competent to say whether or not the company had made or lost money, he may say so. I don't know whether the witness knows whether they made or lost money.

Mr. MINNIS: I asked what his opinion was.

The MASTER: Oh, no that won't so. That is a matter of knowledge and not a matter of opinion.

Mr. LADD: Further than that, Mr. Miller's connection with the road began during last year some time.

The MASTER: I misunderstood the question.

Mr. MINNIS: I merely offered that to show that we were in good faith under the impression that we had lost money. It was suggested by the question asked Mr. Tobin on cross-examination.

Q. I will ask you if from your knowledge of railroading
5704 and the handling of different kinds of business you have an opinion with respect to the comparative cost or the expense of handling the intrastate business and interstate business; And by way of explanation I will say that by interstate business we mean all business that has not the point of origin or destination in Missouri, but that is business arising out of Missouri destined to points in Missouri; or originating in Missouri destined to points outside of Missouri; or originating outside of Missouri and passing through Missouri destined to points beyond Missouri. That we call interstate and business arising at one point in Missouri and destined to another point in Missouri is called intrastate business.

Mr. LADD: Is that general or confined to Missouri?

Mr. MINNIS: I will ask him if he has an opinion in general about it and then I will locate it.

A. I have.

Q. Have you an opinion as to the comparative cost of handling the two classes of business in Missouri?

A. Yes sir.

Q. *When* in your opinion is the comparative cost of doing the two classes of business, with respect to the State of Missouri?

A. I should say that the business in Missouri would cost to handle it two or three times as much as the interstate or through business, as it is handled on the railroad.

Q. You may indicate the foundation of your opinion, Mr. Miller, if you care to do so.

A. The State business is handled very largely on what are
5705 known as local trains. The local trains run whether there is any business or not. They invariably run light. I mean by that, they do not haul the capacity of the engine. A large part of the equipment in those trains is light loaded. The wages of the men engaged on those trains are higher and there is generally one more man on each of those trains. All of that adds to the cost. I should say by way of comparison that a local train might average 100 tons where a through train would average 300 tons.

Q. What about the different times the train would make?

A. The way freight uses more time. They are usually scheduled at about half the rate of speed the through freights are. On the branch lines the trains run on their schedule whether there is any business to go or not. That is true of the local trains generally, that you go anticipating there is going to be freight at the various stations, and there generally is, but not invariably. Sometimes, in bad weather particularly, they go over the road without earning anything to speak of. That is also true of trains picking up stock and local business. A train may leave Moberly and pick up a car of stock for St. Louis, absolutely light. Say there are thirty or more cars of stock to be taken and finally land at St. Louis with a full train, and yet they go over half way over the road with practically nothing. Their through trains are not started unless they have a load for them and they generally maintain their whole tonnage.

There are a lot of things with any maintained at the local stations,
such as stockyards, sidings, warehouse space, elevator tracks,
5706 that are not necessary for the through business, all of which adds to the cost. It is necessary to have more frequent water stations, about twice as many, for the local trains as for the through trains.

The equipment loses in earning capacity on the local train. A car may move ten miles from station to station in the night local. It would go clear across the State in the night in the through train.

The loading and unloading of a car is what takes up the time of the equipment. And whether you have a long haul or a short haul for each load makes quite a difference in the cost.

Q. Mr. Miller, I understand that considering all these things, and your past experience and knowledge of railroading matters in Mis-

souri, and the operation of trains, in your judgment, if the two classes of business be divided into intra-state and interstate, that the expense of handling the intra-state business will be two or three times as much as handling the inter state business.

A. That is my impression.

Q. In forming that opinion do you consider that some of this stock picked up at different points, may be interstate business?

A. Yes.

Q. You have considered that?

A. Yes.

Q. Do you consider that there is a comparatively higher rate for local business than through business?

5707 A. Yes sir, I do.

Q. You consider that?

A. Yes sir.

Q. And notwithstanding that higher rate you still think it would cost two or three times as much to do the intrastate as the inter-state business?

A. Yes sir.

The MASTER: I do not understand that this witness is making any comparison between cost and revenue at all.

Mr. MINNIS: I do.

The MASTER: He simply gives it as his opinion that the cost of transporting the local business would be two or three times as much at the cost of transporting the inter-state business. Now the cost of transporting a given amount of freight, in the view this witness has given, has nothing whatever to do, so far as I can see, between revenue and cost, whether a given amount of freight was $1.00 or $1,000.00, the cost of moving that freight would be precisely the same. He is not making any comparisons, as some other witnesses in this case have done, between cost and revenue.

Mr. MINNIS: He is making comparisons, I understand from something he said before he went on the stand. On account of the local rates being comparatively higher.

Mr. LADD:

Q. What about that, Mr. Miller?

A. The local rates are higher than the interstate rates.

Q. In your opinion based upon the theory that including the higher local rates that still the cost would be two or three

5708 times more for doing the local business than for doing the through business, in addition?

The MASTER: Do you mean cost in proportion to revenue?

Mr. MINNIS: I mean whether the cost of doing the local business in addition to the additional higher rate would be two or three times as much.

Mr. LADD: Mr. Miller answered no.

Mr. MINNIS: What would be your position in respect to that?

A. I understood your question to be the comparative cost between through and local business, the comparative cost of handling through and local business.

Q. Is that cost compensated for in the higher rate that is made for local business?

A. No sir, I do not think the local rates are three times the through rates.

Q. Do I understand your opinion is based entirely upon the cost of doing the business without regard to the rates charged?

A. Entirely on the cost.

The MASTER: That is the way I understand the witness.

Mr. MINNIS: I understand differently on account of a little illustration Mr. Miller used in giving the rates between two towns.

Q. Mr. Miller, I will ask you whether the extra cost of doing local business on the Wabash is about the same as on the Burlington lines in Missouri.

5709 A. Very nearly so.

Q. They are about the same?

A. Yes sir, about the same.

Q. And about the same as on the Missouri Pacific aren't they?

A. Practically so.

Q. Practically the same questions are involved on any railroad?

A. Well, it makes a difference. The cost in the east is quite as heavy as in the west, on account of the difference in wages.

Q. I am speaking of Missouri.

A. In Missouri I should say they are practically the same.

Q. On the three railroads mentioned.

A. Yes sir.

Q. Mr. Miller, I will ask you whether or not there has been a comparative decrease in operating expenses since you have been General Manager of the Wabash Railroad?

A. There was last year.

Q. Was that decrease abnormal or will it continue and the same results be obtained in the future?

A. The decrease last year was abnormal on account of the rigid economy necessary, owing to the financial condition of the company. The expenses of this year are increasing rapidly?

Q. What is increasing, are the wages increasing?

A. Wages are increasing, the cost of material is increasing and the cost of everything we are using is going up.

The usual hour for adjournment having arrived, the further hearing was adjourned to Dec. 19, 1906.

5710 ST. LOUIS, MISSOURI, *December* 19, 1906.

Met pursuant to adjournment as above, in the Federal Building in the City of St. Louis on Wednesday, December 19, 1906.

Present parties as before.

The following proceedings were had:

With consent of counsel for Defendant, counsel for Complainant asks the witness some furtuer questions.

Redirect examination.

By Mr. MINNIS:

Q. Mr. Miller, you may state whether the Wabash Company keeps any fund for the replacement or renewal of equipment.

A. There is none. The replacements come out of operating expenses invariably.

Q. Take a car that goes out of service, you make no charge at all at that time?

A. None.

Q. So that during a given period, that cars that would go out of service that were not replaced, when they were replaced, they would be charged to operation?

A. Yes sir.

Q. Now, with regard to the expenses, could you indicate to the Master about how much increase there will be in the expenses of the Wabash Railroad for the fiscal year ending June 30, 1907, than there was for the year ending June 30, 1906?

A. At the rate——

5711 Mr. LADD: I think I shall have to object to that.

The MASTER: I am unable to see how that can have any effect.

Mr. LADD: The case cannot be put in a position to say the road will spend five or six million dollars next year.

Mr. MINNIS: That is not the idea at all. Mr. Miller explained to me yesterday, after he came off the stand, that since last October wages have been greatly increased and the price of material has been greatly increased. I think when Your Honor comes to ascertain what the legitimate and normal expenses are, you would not consider one day or one year, but take it during the ordinary course of years.

The MASTER: The difficulty about that position seems to me to be this: The question here is not whether the application of the maximum rates authorized by the Act of 1905 will in the future operate to confiscate the carriers property, or compel them to do service without fair compensation, but whether if applied it has done so up to the present time. It is not a matter of anticipation but what it would have been if the Act had been applied. And as I understand two years were selected by counsel, the years 1904 and 1905, to illustrate that proposition.

Mr. MINNIS: I may be in error, but my understanding is that the ultimate question you are to determine is whether the Act would be confiscatory after it went into effect, and that we used the

5712 evidence of these two years as tending to show that it would, if applied in the future.

The MASTER: Of course that necessarily would be implied. But I mean, so far as the introduction of testimony is concerned. We can prophesy of the future by what has actually happened in the past, hence the investigation of what has happened rather than what will happen. Of course if there are matter- that must change the conditions in the future from what they have been in the past, so

as to affect that question, I should think it would be proper and legitimate testimony in introduce.

Mr. MINNIS: That is my object in asking him that question. There were two objects I had in view, that is the relative condition that will exist in the future, that has not existed in the past, and that the expenses for the fiscal year ending June 30, 1906, were not abnormal.

The MASTER: I will permit you to so show.

A. Since October 1, 1906, wages of all of the shop men, including machinists, blacksmiths, boiler-makers and other mechanics have been increased. The wages of conductors, brakemen, engineers, firemen, freight handlers and practically a general increase in pay has been made all over the railroad. It will make a difference of ten or fifteen per cent.

The MASTER:

Q. Over the expenses for the same service for the years 1904 and 1905?

A. Yes.

Mr. MINNIS:

Q. What about material?

A. Every contract that is coming up for renewal
5713 is at an increased price, for the same reason, that the manufacturers and the producers are having to pay more for their labor and they are demanding better prices for their product.

Q. Can you give an estimate of what that increase amounts to in the wages per year?

A. I said ten or fifteen per cent in wages. On the whole I should say that our expenses for this fiscal year would be twenty-five per cent higher than they were for the last fiscal year. They are running along at that rate right along.

Q. Twenty five per cent higher?

A. Yes sir.

Q. That results from the additional you have mentioned, increased wages and increased prices of material?

A. Yes sir.

Cross-examination continued.

By Mr. S. B. LADD:

Q. You are doing more business aren't you?

A. Yes.

Q. You said yesterday your business has been increasing right along?

A. It has been.

Q. It keeps pace with your expenses doesn't it?

A. It has not so far. We have had an actual net decrease in earnings last month as compared with the same month of last year.

Q. Didn't you state yesterday there was an increase in business?

5714 A. It has increased but it has not reached its level.

Q. Wages may go down?

A. Hardly.

Q. Wages may go down and the prices of material may go down: Those things have all happened in the memory of all of us?

A. Not with the present temper of things.

Q. Those things have happened?

A. That is true.

Q. Wheat and corn and beef may not always be worth what they are now. We hope so at least. Tnat is true isn't it?

A. I think so.

Q. Be good enough to look at Page 12 of the printed annual report for the fiscal year ending June 30, 1906: There is a statement signed by yourself as general manager of the company, and among other things it is stated on page 12, after reciting certain changes in the details of the management, "These and other changes, careful methods, close scrutiny and rigid economy have greatly reduced the cost of supervision and operating expenses generally, without impairing the efficiency of the institution": That is correct?

A. Yes sir.

Q. You would say that now, wouldn't you?

A. Yes sir.

Q. Look at page 7 if you please: On that page the President says as follows: "Expenditures for maintenance of equip-

5715 ment and maintenance of way have also dim-ished but the stock holders may be assured that the property has been fully maintained and economies have been made either by the employment of better methods or where appearances could be sacrificed for actual necessities": Isn't that your opinion also?

A. I think so.

Q. So that the efficiency of the road and the equipment and the way and structures were, during the fiscal year ending June 30, 1906, fully maintained?

A. Yes sir.

Q. You spoke yesterday of the road running along the bank of the Missouri River: For how many miles is the road in close proximity to the bank of the river?

A. The road is in the Missouri Valley and subject to over-flows by flood from the Missouri for 110 miles.

Q. How many miles is it in close proximity to the bank? You spoke about the erosions of the bank.

A. I have not got the exact figures but I would say about 20 miles.

Q. And your mileage in Missouri is about 654 miles?

A. About that.

Q. Do you know whether the increase in the freight business of the system from 1904 to the present time has been equaled by the freight business in Missouri—or I will put it in a little different form: Isn't it a fact that the freight business in Missouri has in-

eased since 1904 much more than the freight business of the entire system?

16 A. I could not answer that exactly, off-hand. I should say that the increase has been proportionately as great in issouri.

Q. My question is whether it has not been much greater than it has the system at large?

A. I think not.

Q. What are the division points on your road in Missouri?

A. The principal division points are Moberly—do you want the rminals also?

Q. I suppose you will include the terminals.

A. St. Louis to Moberly: Moberly to Kansas City; Moberly to anberry.

Q. Where is Stanberry?

A. Toward Omaha, on the northwesr line. Moberly to Des loines to the north. Moberly to Hannibal.

The MASTER:

Q. Moberly seems to be the end of every one of the freight disions.

A. The lines radiate in every direction from Moberly.

Mr. LADD:

Q. Can you give us the total tonnage hauled by the Missouri ystem, or that part of the system which is in Missouri, for the alendar year 1904?

A. I can not.

Q. For the calendar year 1905?

A. I do not think that is kept separate.

Q. For the fiscal year ending June 30, 1906?

A. I think not.

Q. For the fiscal year ending June 30, 1904 or 1905?

5717 A. There was not any such record kept in 1904. We began in 1905 to keep a record but it was not separated as to Missouri or by States.

Q. Then do I understand that you do not know what the total tonnage was that was carried by the road in Missouri for any of those periods?

A. We do approximately.

Q. You do approximately?

A. Yes.

Q. For what period?

A. For any period since July, 1905.

Q. I would like to know approximately the total tonnage carried by your rails in Missouri for the last six months of 1905.

A. I could not give you that off-hand.

Q. Is it obtainable?

A. Not as to Missouri.

Q. That is what I am asking.

A. You understand, we keep all of the lines west of the Missis-

sippi River separate, and those lines are divided into accounting divisions. Those accounting divisions are partly in Missouri and partly in Iowa.

Q. Can you then give me the total tonnage for that part of the system west of the Mississippi River, for the last six months of 1905?

A. We can give that. I have not the figures available right here.

5718 Q. We can have those?

A. Yes sir.

Q. And the same information for the first six months of 1906?

A. Yes sir.

Q. Could you give us that information for any period prior to the first of July, 1905?

A. I could not.

Q. That cannot be done?

A. No sir.

Q. You, however, do not know, as I understand, at present, what the total tonnage of that part of the system west of the Mississippi River was, for the last six months of the calendar year 1905: You are unable to state now?

A. I could not give it to you now. I could approximate it. Approximately two and one-half billion ton miles.

Q. How many tons is that?

A. Our unit is ton miles.

Q. I understand that. Can you tell me how many tons it is?

A. I could not. That is tons moved one mile.

Q. I understand what it is. Two and one-half billion ton miles, approximately.

A. Yes sir, that is an estimate.

Q. Can you ascertain how many tons there were?

A. Yes sir.

Q. Can you give us the ton miles for that part of the system
5719 lying west of the Mississippi River, for the first six months of 1906?

A. Yes sir.

Q. Approximately how much is that?

A. I should estimate about the same as for the other period.

Q. Is that revenue ton miles?

A. That is the total?

Q. I want to know the revenue ton miles, if I can.

A. I could not separate that in my mind. We can give you that.

Q. That can be ascertained?

A. Yes sir.

Q. The total which you have given me, includes revenue freight as well as your own?

A. Yes sir, revenue freight and company freight.

Q. You said two and a half billion tons?

A. Yes sir.

Q. That is for each six months?

A. I want to correct that. That should be "millions". I am getting at it in this way: The line west of the River I estimate handled

about 40 million tons per mile per month, so for a period of six months we would get about two and a half million ton miles.

Q. It is suggested here that possibly instead of two and a half billion ton miles you mean two and a half million ton miles?

A. Yes sir. Six times forty would be 2,400,000.

Q. 240,000,000?

5720 A. Yes sir, 240,000,000 ton miles.

Q. That is for six months?

A. Yes sir, for six months.

Q. What proportion of your lines west of the Mississippi River lies outside of Missouri, I mean in mileage?

A. About 200 miles.

Q. You have a line running to Ottumwa and also to Des Moines and also to Council Bluffs?

A. Yes sir.

Q. And a part of each of those is in Iowa?

A. Yes sir.

Q. What is the mileage of the Iowa part of those lines?

A. About 200 miles.

Q. And your Missouri mileage is 654?

A. Yes sir, about that.

Q. You have given me the ton miles for all that part of the system west of the Mississippi River: Now what part of that do you think would apply to Missouri, leaving out the Iowa part?

A. I could only guess at that. I could not give you an accurate answer.

Q. Would it be fair to apportion it on a mileage basis, do you think?

A. Yes sir.

Q. You think it is as fair to approximate it in that way as in any other way?

A. I think so.

5721 The MASTER: I presume you mean by "mileage basis" a track or road mileage basis?

Mr. LADD: Yes sir, that is it.

Q. Assume that 500,000,000 ton miles have been carried over one mile on the system west of the Mississippi River the mileage of the Iowa part of the system is in round figures one fourth of the total mileage west of the river, isn't it?

A. About that.

Q. You deduct 125 miles from 500 miles and that would leave 375 miles for the Missouri part of the system?

A. Yes.

Q. What percentage is that of the total ton miles of the system for the same period, ending June 30, 1906?

The MASTER:

Q. Have you the total ton mileage of the system before you, Mr. Ladd?

Mr. LADD: Yes, Your Honor, it is on page 41.

A. There were handled during the year ending June 30, 1906, according to this report (indicating) 3,132,632,984 tons one mile.

Q. If you are correct in your estimate this morning, Missouri only handled one-eighth of the ton miles of the system, or twelve and a half per cent, or even less than that?

A. We can give you that exactly, but I have not the figures here.

Q. You can give us the exact number of ton miles carried in Missouri?

A. Not for Missouri but approximately by the division
5722 that you have made, taking the lines west of the Mississippi River and taking the Iowa mileage and pro-rating the tonnage on a mileage basis.

Q. Off-hand, Mr. Miller, don't you think the Missouri part of the system carries more than twelve and one-half per cent of the total tonnage of the system?

A. I could not say as to that?

Q. You have no idea. You would not be willing to express an opinion off-hand, whether Missouri business is as small a proportion of the total freight business as that?

A. No sir.

Q. Mr. Miller, you are unable to give it to me now, but the figures which you have given me, as I understand it, are the total tons of freight handled one mile, including the revenue and company freight: That is right, isn't it?

A. Yes sir.

Q. Now, I would like some figures for the revenue freight: Total ton miles in Missouri of revenue freight, handled for the last half of 1905 and the first half of 1906: Or, if you cannot give it to us for Missouri, give it to us for that part of the system which lies west of the river.

A. We can do that.

Q. You say you cannot give us the number of tons of freight at all?

A. I think we could for all of the lines west of the Mississippi River, total tonnage. I think we can get that.

Q. The total tonnage of the lines west of the Mississippi
5723 River for those two periods?

A. Yes sir.

Q. Divided between company a*b*d revenue freight?

A. Yes sir.

Q. Can you state the proportion between the tonnage in Missouri for those two periods, or for the calendar year 1904, or the calendar year 1905, or for any period, a month or longer, beginning with the first day of January, 1904, and ending with the thirtieth day of June, 1906, of the tonnage of interstate freight and tonnage of intrastate freight for the same period?

A. I do not think we could.

Q. Have you any idea what the proportion is, Mr. Miller, as your business runs, between intrastate and interstate freight carried over your lines in Missouri, in volume?

A. I could only guess at it because we do not keep separate those two kinds of business.

Q. You could only guess at it?
A. Yes sir. I would not want to hazard a guess on that.
Q. You have no opinion, then, as to the comparative proportion of the volume of intrastate freight and interstate freight which passed over your rails in Missouri at any time during the last three years?
A. I know nothing of the business prior to May 1, 1905.
Q. Of course. It is fair for me to confine my question to that period: Since the 1st. of May, 1905, have you any idea of
5724 the relative proportions of intrastate and interstate freight which passed over the rails of your system in Missouri during that period, or during any period, long or short, comprised within that period?
A. I could only guess at it.
Q. Well, would you like to make a guess?
A. Yes, I should say that the interstate freight would be about 75 per cent of the total business handled.
Q. What proportion of the interstate freight is in carload lots and what proportion is in less than carload lots?
A. I could not state that.
Q. You have no idea?
A. No sir.
Q. What proportion of the intrastate freight was in carload lots and what proportion in less than carload lots?
A. I could not answer that.
Q. You cannot approximate it at all?
A. No sir.
Q. Is the estimate as to the proportion between interstate and intrastate freight of 75 and 25 per cent, on a tonnage or on a revenue basis?
A. On a tonnage basis.
Q. When you speak of "tonnage" do you mean tons or ton miles?
A. Ton miles.
Q. I find on page 41 of your printed annual report for the last fiscal year, a statement showing the cost per ton mile of trans-
5725 porting freight on the system: Now for the year ending June 30, 1906, 398/1000 of a cent, isn't it?
A. Yes sir.
Q. For the year ending June 30, 1905, it is stated that 54/100 and a fraction of a cent and for the year ending June 30, 1904, it is stated at 54/100 of a cent, isn't it? That is right, isn't it?
A. Yes sir, that is right.
Q. That is the purpose in making the calculation of the rate per ton mile both on revenue and cost, Mr. Miller? That involves great labor, doesn't it, making those calculations?
A. Yes sir.
Q. What is the purpose of it?
A. To show the relative figures.
Q. Between the different years?
A. Between the different years and to show the rate and the cost.
Q. And the ton mile is the unit?
A. Yes sir.

Q. And that is the proper unit, isn't it?

A. That is the unit that is generally used.

Q. In order to reach that result, let me see if I understand how it is attained: You take each shipment, interstate or intrastate, and suppose it is a ton, you multiply that ton by the number of miles you carry that shipment: and you deal with all the shipments that way, and the aggregate of those ton miles produces your total ton miles: Is that right?

A. I think that is the way they get at it.

5726 Q. Was not my question quite clear?

A. Oh, yes.

Q. That is the way it is done?

A. Yes sir.

Q. Then you divide your total revenue from freight by the total number of ton miles, and you get your revenue per ton mile, don't you?

A. Yes sir.

Q. And you divide your total freight expenses by your total ton miles and you get the cost per ton mile, don't you?

A. Yes sir.

Q. And you regard the ton mile as the unit, and the cost per ton mile and the revenue per ton mile, as indicating more exactly than by any other method that can be pursued, the condition, prosperous or otherwise, of the freight business of the system: Isn't that right?

A. Yes sir.

Q. And is that a custom which prevails among the railroads generally?

A. Yes sir.

Q. Then the cost per ton mile is the unit of expenses in the freight business?

A. Yes sir.

Q. I think you have already stated that you cannot state the number of ton miles of intrastate freight in Missouri for any period?

A. No sir, I cannot.

5727 Q. Or of interstate freight in Missouri for any period?

A. No sir, I cannot.

Q. Wouldn't it be entirely practicable to obtain that information? I don't mean usually, but couldn't it be done?

A. You can get it if you start with that intention.

Q. Couldn't you take your way-bills, if you have preserved them, for any period: and divide up your intrastate freight from your interstate freight and show the number of ton miles in each?

A. You could if you had the way-bills.

Q. You say you could do it if you should start now: But if you had all the way-bills for the past you could do it?

A. I meant by that it had never been done, and in order to get those results you must set a time and begin to compile that information.

Q. I know; if you want to do it ahead. But couldn't you go back for instance on your own road, take it for the month of December last year, couldn't you go to your way-bills and find out exactly how

many tons of intrastate freight and how many tons of interstate freight were carried in Missouri during that month?

A. If the record is still there.

Q. If the way-bills are still there?

A. Yes sir.

Q. They are, aren't they?

A. It would be an endless job.

Q. But you still have the way-bills, haven't you?

A. Yes sir.

5728 Q. You had the way-bills or some of your officials did, when these statements were prepared to be put into this case, and by an examination of those same way-bills for any period it could be ascertained how much interstate freight, and how much intrastate freight there was, and how much the revenue was from each?

A. Yes sir.

Q. Have you done that?

Mr. MINNIS: He never was asked to do it or it has never been suggested to anybody.

Mr. LADD:

Q. Have you done it, Mr. Miller?

A. No sir.

Q. You have not directed it to be done?

A. No sir.

Q. It would take a long time to prepare it?

A. I should say it would.

Q. Don't you think that information would be very valuable for the Court to possess?

A. I don't know.

Q. The Court would know, taking one month as representative of a year, the proportion between your intrastate freight and your interstate freight by tons and by revenue, in the State of Missouri, wouldn't it?

A. Not accurately, because you mentioned simply one month.

Q. You said, if the Court was willing to assume that month selected was a representative month, or taking two months at different periods of the year, that information would be valuable

5729 to the Court, wouldn't it?

A. Yes sir, but it seems to me you would have to have it for a whole year to get a reasonably accurate statement.

Q. Wouldn't it do to take it for April and October?

A. I could not say off-hand. There might be a single month——

Q. Don't you think it would throw great light and afford some assistance, at least?

A. Yes sir.

Q. If you were to take two months, wouldn't it be fair to assume that the proportion between intrastate and interstate freight shown by those two months was fairly representative of a year?

A. That would depend on the traffic. If you get a month when

there was a very heavy live-stock movement interstate, it would not be a fair example. On the other hand, if you get a month that the through grain shipments were very heavy, that would not fomr a fair example. My impression is you ought to have a whole year's figures.

Q. You know what the business has been since you have been on the road: Select yourself two months that you would regard as representative months, where there would not be an extraordinary amount of any kind of business, or a falling off in any kind of business: Wouldn't that aid the Court greatly?

A. Possibly.

Q. Don't you think it was? You say, "possibly."

A. I don't know just what figure that would cut.

5730 Q. You do not regard it as of any importance in this case to know the proportion between intrastate freight and interstate freight in this State?

A. Yes sir.

Q. It is of importance?

A. Yes sir.

Q. Would not that help to determine it, such an examination as that?

A. Yes sir.

Q. You think it would?

A. Yes sir.

Q. And you have done nothing of the kind?

A. No sir, we have not been asked for it as I understand it.

Q. You have not done anything of the kind?

A. We have not had such a record as that prepared.

Mr. MINNIS: Of course we have not. I do not understand Counsel's purpose in asking for that.

Mr. LADD: If you wish to know my purpose, I will say it is the duty of the company to furnish to Court all the information it can.

The MASTER: Do not discuss that question now. We will hear that later on. It is sufficient that he has not done it, and he says he has not been called upon to do it. That is the end of the question for the present.

Mr. LADD:

Q. You know the amount of revenue per ton mile from your interstate freight in Missouri?

5731 A. No sir.

Q. Do you know the revenue per ton mile for your intrastate freight in Missouri?

A. No sir.

Q. Couldn't you, if it had occurred to you, and you felt disposed to do so, make a test and show the court how much State and interstate freight was carried on each train for a month, and the revenue per ton mile for each class of freight? For instance, couldn't you, if you had so determined, commenced on the first day of last April or the first day of any past month, and kept a record, or had your agents keep a record of each train, the amount of interstate freight on it, the amount of intrastate freight on it, the revenue

from each class of freight in Missouri: That could have been done, couldn't it?

A. Yes sir.

Q. Yesterday you said and I am quoting from your own language now "I should say that the business in Missouri would cost to handle two or three times as much as the interstate or through business as it is handled on the railroad. The State business is handled very largely on what are known as local trains. Business in Missouri I should say would cost to handle two or three times as much as the interstate or through business": Now, what did you mean when you used the expression "through business"?

A. Interstate business.

Q. Is there any difference then? You say "interstate or through business." Is there any difference in that expression? Does "interstate" mean the same as "through" there?

5732 A. Yes sir.

Q. Just exactly?

A. Yes sir.

Q. You say that interstate and through business mean the same thing, as you used those terms?

A. Yes sir.

Q. What would you call a full carload of iron shipped from St. Louis to Kansas City: Is that through business?

A. That is State business.

Q. Is that through business?

A. Not as I classify it.

Q. When you speak of "through business," you mean interstate business: Is that it?

A. Yes sir. Business moving through in through trains that run through more than one State.

Q. So when you speak of "through business" you mean business which passes from Missouri into another State, or passes from another State into Missouri?

A. In through trains.

Q. In through trains?

A. Yes sir.

Q. What is a "through train"? Go back to my other question now: Take a full carload of iron shipped by a dealer in St. Louis to a dealer in Kansas City: What kind of a train would you put that in?

A. That would be a Missouri train and different. I should say a through train was a train scheduled from Kansas City to

5733 Buffalo.

Q. Well, that is a through train?

A. Yes sir.

Q. From Kansas City to Buffalo?

A. Yes sir, or from Kansas City to Chicago.

Q. Any other through freight trains on your road? There are two?

A. Those are illustrations.

Q. Are there any more?

A. There are a great many trains that run through two or more States.

Q. A through train, as you use the expression here, is a train which goes into or through two or more States?

A. Yes sir.

Q. And a train starting from St. Louis and running to Kansas City you do not call a through train?

A. It would be a through train for Missouri.

Q. Is it a through train?

A. Not in the sense I described it.

Q. Let me refer again to your testimony: I want to know exactly what you meant when you said "I should say the business in Missouri would cost to handle two or three times as much as the interstate or through business": Now, in that connection, are we to understand that your unit, when you speak of two or three times, is the through business, and that you mean by "through business" interstate business exclusively?

5734 A. In the example you cited, the train from St. Louis to Kansas City, might be termed a through train for Missouri. It runs across the State.

Q. I want to know whether you mean to say that the business in Missouri would cost to handle two or three times as much as it would cost to handle that carload of iron from St. Louis to Kansas City.

A. That carload of iron was included in my estimate.

Q. Included in what?

A. Included in my estimate of the handling of the business in the State. There are some through cars that move from St. Louis to Kansas City. That is one item. That is for the full length across the State. There are other cars that move only ten miles. I took into account the long haul and the short haul.

Q. Then by "through or interstate business" those terms are synonymous, are they: You do not include in through business any business that originates and ends in the State of Missouri at all?

A. Yes sir, it is handled in the through train.

Q. When you say that the business in Missouri costs two or three times as much to handle as interstate or through business, by the expression "through business" you do not include any business which originates and ends in Missouri, do you?

A. Yes sir.

Q. You do?

5735 A. Yes sir. I include that car you just specified, St. Louis to Kansas City.

Q. So that interstate or through business, as you used it, are not always synonymous?

A. They are, as referred to in my testimony. I undertook to separate the business handled in the State of Missouri from what we class as through business, and I gave you my opinion of the cost, based on twenty-five years experience in Missouri.

Q. I understand, but I want to know just what it is you do. Perhaps I am a little dense.

A. That is the idea.

Q. You mean to say that it costs to handle the State business, business originating and ending in the State, embracing all kinds of State business, no matter how long the haul, it costs on an average two or three times as much as it does to do business originating in Missouri and ending in another State or originating in another State and ending in Missouri: Is that it?

A. That is my judgment.

Q. That is what you mean?

A. Yes sir.

Q. Then we might, mightn't we, Mr. Miller, eliminate that word "through," omit it altogether, if by "through" you mean interstate, in that connection?

A. No sir. Some of the interstate business handled gets into the State trains and is handled in the same way as the State business is.

Q. Do you mean to say that in your opinion the business
5736 originating and ending in Missouri, of all kinds, costs on an average two or three times as much as the interstate business which goes out of, comes into, or passes through Missouri?

A. Yes sir.

Q. That is it, is it?

A. Yes sir, that is it.

Q. Including in that all kinds of interstate business which gets on to the Missouri rails?

A. Yes sir.

Q. That is what you mean?

A. Yes sir.

Q. You say that the State business is handled very largely on what are known as "local trains"? Will you describe a local train? Take a point on your road: Where does it begin? What place does it start from?

A. There are some local trains that start from St. Louis.

Q. Where do they run to?

A. St. Louis to Moberly, Moberly to Kansas City.

Q. Local trains start from St. Louis and run to Moberly?

A. That is a division point.

Q. What does it do there? Does it go right on, that same train?

A. Sometimes.

Q. As a rule?

A. The train itself, if it has business going beyond, moves beyond the division points. The crews run between St. Louis and Moberly, and Moberly and Kansas City.

5737 Q. Suppose that trains leaves St. Louis in the morning. what time will it get to Moberly ordinarily?

A. In the evening.

Q. Now, suppose it gets to Moberly and it has some freight in there for some point west of Moberly, we will say Carrollton: Does it stay there over night, what is left of that train?

A. Generally, yes sir.

Q. You have the same crew running from St. Louis to Moberly on that train or is there a change of crews?

A. The same crew.

Q. And Moberly is the end of their run?

A. Yes sir.

Q. And now that train and the freight that is left in it stops there and does not go any further that night: That is right?

A. That is true, generally. If there is live-stock in that train it would move.

Q. Of course we understand about live-stock, but ordinary freight?

A. Yes sir.

Q. And the next morning it would start from Moberly for Kansas City, would it?

A. There is a regular service of that sort.

Q. Does that train have the same number west of Moberly that it had between St. Louis and Moberly?

A. Yes sir.

5738 Q. It has a different crew?

A. Yes sir.

Q. And of course a different engine?

A. Yes sir.

Q. But it has the same number?

A. Practically all the way freight trains are numbered alike on all the divisions. Now, that is one kind of a local train——

Q. I am not quite through, Mr. Miller. That train maintains the same number from St. Louis to Kansas City?

A. Yes sir.

Q. What kind of freight would be in that train?

A. All sorts. Carloads and less than carloads.

Q. Suppose you had, on the morning when that train starts out, a carload of freight which had come from Cincinnati to be transported by you to St. Charles, Missouri, which is between St. Louis and Moberly, would you put that carload into that train and take it up to St. Charles?

A. Yes sir.

Q. That is inter-state freight, isn't it?

A. Yes sir.

Q. And a carload?

A. Yes sir.

Q. That is your local train?

A. Yes sir.

Q. What you call your local or way train, isn't it?

A. Yes sir.

5739 Q. Suppose you had a carload of freight, which you had received from the Baltimore & Ohio Railroad, which came from Cincinnati, destined for Carrollton, Missouri, would you put that car into that train?

A. It would depend somewhat on its character. If it was what was termed the "fast freight" it might go on a through train. That is one running from St. Louis to Kansas City. Or if it was ordinary freight it might go on that local train.

Q. That is interstate freight, isn't it?
A. Yes sir.
Q. That carload of freight would go all the way from St. Louis to Carrollton on the way train. Is that right?
A. It might.
Q. Would it probably, ordinarily?
A. Probably not, Carrollton being a competitive point the car would probably move in a train that would deliver it there.
Q. Is Brunswick a competitive point?
A. No sir.
Q. Suppose this carload of freight was destined for Brunswick, would it go in that local train?
A. It might.
Q. Would it probably, according to the course of your business?
A. No sir. As a rule carload business for points beyond the division point, Moberly, would move in a train that would go at least that far.
5740 Q. Go as far as Moberly?
A. Yes sir.
Q. On what you call a through train?
A. Yes sir.
Q. That is, when you speak now of through trains, you mean a through train from here to Kansas City?
A. Yes sir, it would probably go as far as Moberly on the through train, and there be put into the local or way freight train for Brunswick or Carrollton.
Q. Ordinarily you say a car delivered to you by the Baltimore & Ohio, coming from Cincinnati and destined for Carrollton or Brunswick, you would take in a train that runs from St. Louis to Moberly, what you call a through State train, Moberly being a division point: There that car would be left, and sooner or later that car would be put into a way or local train and hauled to Brunswick or Carrollton: Is that right?
A. Yes sir.
Q. And you would haul it in what you call a through State train, to a division point which in this instance is Moberly?
A. Yes sir.
Q. There is a difference I fancy, from what has been said, between a through freight train, one running from St. Louis to Kansas City and a local or way train, which also runs from St. Louis to Kansas City, but makes a stop over night at Moberly: There is a difference, is there?
A. Yes sir.
5741 Q. Now, take a through train such as you have described from St. Louis to Kansas City, what do you put into such a train as that, carload lots?
A. Everything; carload and less than carload.
Q. The reason I asked you is because you said that this carload destined to Carrollton would probably be put into a through train and taken to Moberly?

A. Yes sir, in the same way the less than carload business, if of sufficient bulk, would be loaded at Moberly for distribution.

Q. Suppose you got a lot of freight taken on at St. Louis in less than carload lots, you have got, say, a lot of shipments by different consignors to different consignees, but altogether they make up a full car. You do not call that carload lots, do you? A carload lot is where one shipper ships to his consignee an entire carload: That is what you mean by carload lots, isn't it?

A. Yes sir.

Q. Suppose at St. Louis you receive enough freight from half a dozen different shippers, of sufficiently the same character to go together and fill that car up, and all destined beyond Moberly, would you put that train on what you call a through freight train and take it to Moberly?

A. Yes sir.

Q. Suppose when that car gets there it is for half a dozen different people beyond Moberly: Then what do you do with it?

5742 A. It is put into different trains for distribution.

Q. It is not unloaded at Moberly and reloaded at Moberly?

A. It might be. There might be some freight for a line towards Kansas City and some freight for a line towards Des Moines. That would have to be separated.

Q. Suppose it is all for the line toward Kansas City: In that case you would not unload it but you would put that car into the way freight train next morning, or sometime, and it would proceed on its way toward Kansas City, and it would deliver its freight at the different points along the line of the road, where it was destined?

A. Yes sir.

Q. Suppose at St. Louis you have a lot of freight shipped from St. Louis from different consignees, but not sufficient to fill a car: Say it is drygoods shipped from three or four different wholesale dealers here in St. Louis to their different customers, destined for points between here and Moberly: You put that all into a car but it does not fill the car up. On what kind of a train would you start that out from St. Louis?

A. On the way freight trains.

Q. Simply because this is not a full carload? Is that it?

A. That is it.

Q. Now, this through State train that runs from St. Louis to Kansas City: Do you never put into those trains at St. Louis any cars which are not full?

A. Yes sir.

5743 Q. You do sometimes?

A. Yes sir.

Q. But in the case of the shipments of dry goods which I just mentioned, which do not more than two-thirds fill the car, you say that would go into the way freight train?

A. That would depend. They make a minimum of five thousand pounds. For less than that they will not load a car to Moberly and beyond. They will fill it out with way freight for stations

this side of Moberly. When they have five thousand pounds or more they load on Moberly. That is a pretty light car.

Q. If you have five thousand pounds or more would that go on a through freight train?

A. Usually.

Q. But if you have less than five thousand pounds it would be put into the way car?

A. It would be put in with other freight.

Q. Suppose you have a full carload of freight coming from Chicago, which is one of your terminals, shipped to Brunswick, Missouri, both terminals are on your lines: Does that cross the river at Hannibal?

A. Yes sir.

Q. What is done with that car at Hannibal?

A. Such a car would move in the through train to Moberly.

Q. Where is that through train loaded up?

A. At Chicago.

5744 Q. The train runs right through from Chicago to Moberly?

A. Chicago to Kansas City.

Q. Is that entirely made up of carloads?

A. Of everything. Whatever there is to go would go in that train, carloads and less than carloads.

Q. That train runs through to Kansas City, doesn't it?

A. Yes sir.

Q. When it gets to Moberly you say this car destined for Carrollton is dropped: Is that right?

A. Yes sir.

Q. Then your train runs on from Moberly to Kansas City that much lighter, doesn't it?

A. Not necessarily.

Q. You may take on some other freight at Moberly?

A. If they have it there, yes sir.

Q. You may taken on some more freight at Moberly?

A. Yes sir.

Q. When that train reaches Hannibal, so far as it contains any Missouri freight, it is all interstate freight, isn't it, because it has come from the other side of the Mississippi River; That is right, isn't it?

A. Yes sir.

Q. And as you go along with that train you may pick up, as I understand you, interstate freight and put it into that train, destined for Kansas City we will say: Is that right?

A. Yes sir.

5745 Q. So from Hannibal to Kansas City that train which is carrying interstate freight may also be carrying intrastate freight?

A. Yes sir.

Q. Let us go back to this car which was loaded at Chicago for Carrollton: It comes on that train as far as Moberly, I understand.

A. Yes sir.

Q. And there you drop it?

A. Yes sir.

Q. And then that carload of interstate freight is put on to a local or way train and taken to Carrollton and put on the proper track there for the consignee: Is that right?

A. Yes sir.

Q. So that the train which carried that carload in this progress from Hannibal to Moberly is carrying that car and perhaps some other interstate freight, and is also carrying intrastate freight. Is that right?

A. Yes sir.

Q. And the train which takes that car at Moberly and delivers it to Carrollton to the way or local train, is certainly carrying that carload of interstate freight as well as intrastate freight, isn't it?

A. Yes sir.

Q. Would you call that train from Chicago to Kansas City, which has just been spoken of, a through train or a State train?

A. A through train.

5746 Q. That is a through train?

A. Yes sir.

Q. Although it hauled stuff from Hannibal to Kansas City or Moberly to Kansas City, you still call it a through train?

A. Yes sir.

Q. That same train may also haul freight from Hannibal to Moberly, mayn't it?

A. Not as a rule.

Q. What train would take that? Suppose that train comes along and there is a carload of stuff loaded at Hannibal for Moberly, wouldn't that train take it?

A. If they could. Through trains do not break bulk quite that often. There are other train- besides that running between Hannibal and Moberly.

Q. I understood you to say that a train would pick up intrastate freight and haul it to Moberly.

A. I said that in answer to your question whether they would run light from a point where they set out a car, to their destination.

Q. Suppose when this train got to Hannibal there were enough cars for Hannibal which had come from Chicago, to make the rest of the trains light, that train would then take any carload freight at Hannibal destined to Moberly?

A. Yes, but that would be the exception. We do not run a through train from Chicago to Kansas City to carry Hannibal freight.

Q. What do you carry Hannibal freight on?

5747 A. On other trains.

Q. Where do they run from?

A. From Chicago to Decatur and from Decatur to Hannibal.

Q. But if you left a lot of cars at Moberly, as the train proceeded on west you say that through train from Chicago would pick up carload lots and carry them further west?

A. Yes sir, but as a rule the through train has a full train of

through freight. It does not occur very often that that train would set out a great many cars at Moberly.

Q. Do you mean by the through train, a train that is loaded to its capacity with through carloads from Chicago to Kansas City?

A. Yes.

Q. That is what you mean?

A. Yes sir, and the train is run because there is sufficient traffic to warrant its being run over it.

Q. A through train, as you have meant to express it here, means a train running from Chicago to Kansas City with an engine loaded to its full capacity, with full carloads of freight, all of it to go all the way to Kansas City from Chicago?

A. Full carloads—we have carloads and L. C. L. We have cars full and less than carload business.

Q. That is what I mean. The cars themselves would be full?

A. Yes sir.

Q. The through train then has the same constituent or the same elements when it reaches Kansas City that it had when it left

5748 Chicago?

A. Yes sir.

Q. There has not been any dropping out or taking on?

A. No sir.

Q. That is what you mean by a through train, is it?

A. Yes sir.

The usual hour for recess having arrived, recess was taken until two o'clock P. M.

After recess on December 19, 1906, the following proceedings were had:

The cross-examination of Mr. HENRY MILLER was continued by Mr. LADD:

Q. Mr. Miller, when you speak of one kind of business costing two or three times as much to handle as another kind of business, you mean, I take it, that it costs two or three times as much per ton mile?

A. Yes sir.

Q. You spoke this morning of a train which would be loaded at Chicago and go through to Kansas City intact, with the same freight unimpaired, or not enlarged or increased at Kansas City, that it had at Chicago; and you spoke of that as a through train: Now, is it business on a train of that kind which costs one-half or one-third as much to handle as the State business?

A. Yes sir.

Q. It is business carried in a train of that kind constituted in that way, which you mean when you speak of through business?

5749 A. Yes sir.

Q. There is one train, from Chicago to Kansas City, I suppose the same would be true of a light train from Kansas City to Chicago: That would be on the same principle?

A. Yes sir.

Q. Both of those trains go clear across the State: That is true?

A. Yes sir.

Q. How many other trains of that kind does your system have, running in Missouri, starting from or terminating at other points than Chicago? I mean daily.

A. About two others.

Q. Between what points do those run, Mr. Miller?

A. There is one train that runs between the east and Kansas City.

Q. Buffalo, for instance?

A. Yes sir, Buffalo, to carry what you might term "dead freight." Another train that carries live-stock between the same points.

Q. What do you mean by "dead freight"?

A. Merchandise.

A. Anything other than live-stock?

A. Yes sir, anything other than live-stock or perishable goods.

Q. Do both those trains run from Buffalo to Kansas City?

A. Yes sir.

Q. Or from Kansas City to Buffalo

A. Yes sir.

5750 Q. So you have three trains daily, of that kind, in Missouri?

A. About.

Q. Now, in addition to those how many freight trains do you handle daily in Missouri?

A. I do not understand that question.

Q. There are six trains?

A. You mean to and from Kansas City?

Q. I mean all kinds of trains. You have six trains now, three going east and three coming west: Those are the through trains you spoke of?

A. That is between Kansas City and the east. But there are other trains.

Q. What are they?

A. We have through trains coming to and from Omaha.

Q. Do they come through Missouri?

A. Yes sir.

Q. Tell us what those are.

A. On the schedule there are three through trains to and from Kansas City for instance, and one local train.

Q. Would you defer mentioning local trains for a moment, if you will? Now, we have six through trains, taking it both ways, one between Kansas City and Chicago and two between Buffalo and Kansas City, each way: that makes six: Now, how many other through trains of that description do you have running in the State or running through the State?

A. There are through trains between here and Kansas City. That is a through train in the State.

5751 Q. I don't want those.

A. There are no others.

Q. Six *is* all, then?
A. Yes sir.
Q. How many other trains beside those six freight trains run in Missouri every day on your system?
A. I could only estimate the number. Including the branches?
Q. Yes.
The MASTER: You may refer to your schedule if you like, Mr. Miller.
A. I haven't one here.

Mr. LADD:

Q. You are unable to answer that just now?
A. I cannot answer that off-hand.
Q. Suppose a carload of freight is shipped from Cincinnati and its destination is Orrick, on your line. It comes over the Baltimore & Ohio Southwestern, I believe you call it, to St. Louis: Now, what is done by the Baltimore & Ohio Southwestern when that car gets to St. Louis: In other words, how do you get it?
A. They deliver it to the Terminal Railroad Association.
Q. At East St. Louis?
A. At East St. Louis.
Q. Then the Terminal Association does what with it?
A. They bring it over the river and deliver it to the Wabash Railroad.
Q. Where?
5752 A. At about North Grand Avenue in St. Louis.
Q. What do you have to do in order to put that car into a train of your own? Are your freight trains made up at what you call North Grand Avenue?
A. No sir. The yard is about a mile north of Grand Avenue.
Q. So your engines haul it a mile?
A. Yes sir. They place the car on an interchange track where it is inspected, and then the Wabash takes it up to the yard.
Q. You haul it up to your own yards?
A. Yes sir.
Q. About a mile that is?
A. Yes sir.
Q. Then you put it into one of your trains?
A. Yes sir.
Q. Are your trains made up near your freight warehouses?
A. No sir.
Q. This car is destined for Orrick: What kind of a train do you put that in?
A. That would go in a train that ran through to Moberly.
Q. You would call that a through State train?
A. Yes sir.
Q. To Moberly?
A. Yes sir.
Q. Then that is as far as that train will carry it?
A. Yes sir.

5753 Q. What would happen at Moberly to that car?
A. Put it in the local train from there?
Q. And take it where from there?
A. Take it to Orrick.
Q. In that train from St. Louis to Moberly there is a carload of interstate freight which has come to you from Cincinnati?
A. Yes sir.
Q. In that train from St. Louis to Moberly, would you have, possibly or probably, carloads of freight which were loaded here at St. Louis for points between here and Moberly or between here and Orrick?
A. Probably nothing short of Moberly.
Q. Nothing short of Moberly?
A. No sir.
Q. But you would have in that train loads of freight which had their origin here in St. Louis, would you?
A. Yes sir.
Q. Going as far as Moberly?
A. Yes sir.
Q. Along with that carload of interstate freight?
A. Yes sir.
Q. So that train from St. Louis to Moberly would be carrying State freight and interstate freight?
A. Yes sir.
Q. And the same service would be rendered to both, as far as Moberly?
5754 A. Yes sir.
Q. Suppose there was a carload of St. Louis freight in there. You say that would take its place alongside of the Cincinnati carload, as far as Moberly, in the train?
A. Yes sir.
Q. At Moberly would that be put into a way freight train, the same as the St. Louis car was?
A. Yes sir, if destined to the same place.
Q. If destined to Orrick or any place west of Moberly?
A. Yes sir.
Q. When it got to Orrick, what would be done with these cars, both full carloads?
A. They would be set on the siding.
Q. Both set on the siding?
A. Yes sir.
Q. And when he got ready—and probably not as soon as you would like to have him—the consignee would come there and unload that freight?
A. Yes sir.
Q. The same thing would happen to that carload of State freight and that carload of interstate freight, from the time they left St. Louis, they would be treated in precisely the same way?
A. If they moved in the same train, yes sir.
Q. I am supposing that they move in the same train.
A. Yes sir.

Q. Take the case of five boxes of clothing shipped from a
5755 dealer in Cincinnati to a dealer in Orrick: That comes to the Wabash from the Baltimore & Ohio Southwestern: How do you get hold of those five boxes: That is not a carload?
A. That would be brought across the river on a dray.
Q. Brought over the river on a dray?
A. Yes sir.
Q. It would be unloaded out of the car on the other side of the river?
A. Yes sir.
Q. By whom?
A. By the Baltimore & Ohio Southwestern.
Q. Who would bring it over on the dray to you from the Baltimore & Ohio Southwestern?
A. The Transfer Company.
Q. At whose expense?
A. I am not sure as to that.
Q. You are not sure whether the Wabash would pay for that or the Baltimore & Ohio Southwestern?
A. No sir.
Q. Would you mind looking into that, Mr. Miller? I would like to know about that.
A. I will do so.
Q. At all events, those five boxes would be brought over on a dray, and what would the dray do with them?
A. Deliver them to the warehouse.
Q. Then you would load them into one of your own cars: That is right?
A. Yes sir.
5756 Q. What kind of a train would that car be put in?
A. That would be handled in much the same way, provided there was enough business to warrant loading a car on Moberly.
Q. If besides those particular five boxes you had enough other freights of various kinds going to Moberly or points west of Moberly you would fill the car up with it?
A. Yes sir.
Q. You would fill up a car with it at Moberly and then what would you do with it at Moberly?
A. It might be re-handled there.
Q. What do you mean by that, unloaded and reloaded?
A. If the car contained freight for two lines, divergent, it would go to the house and be re-handled.
Q. Unloaded and reloaded?
A. Yes sir. But if it contained freight on a through line, or a line on which Orrick was situated, it would go into the local train.
Q. In that case it would not be unloaded?
A. No sir. But a great deal of that business, that sort of traffic, goes to Moberly and is re-handled there.
Q. That is, unloaded and re-loaded?
A. Yes sir.
Q. And that is true of both State and interstate freight?

A. Yes sir.

Q. Which would be true of those five boxes of clothing, and just as true of the other merchandise shipped from St. Louis, contained in that car?

5757 A. You have simply particularized five boxes of clothing. The Baltimore & Ohio Southwestern might have enough freight from Cincinnati and other points on its road, or at its warehouse in East St. Louis, to make a carload, and in that case they would deliver the car.

Q. They would deliver the car and you would hitch it on?

A. Yes sir.

Q. Destined to different points on your road?

A. Yes sir.

Q. Would you re-handle it at St. Louis at all, and sort it out?

A. That would depend on the character of it.

Q. Wouldn't you often do that?

A. Sometimes. We might have an arrangement with the Baltimore & Ohio Southwestern by which they load a daily car on Moberly. Such things are done. Then it would not be handled here.

Q. But if you did not have a full carload from the Baltimore & Ohio Southwestern, it would take the course you have mentioned, go to Moberly, and then be re-handled there and reloaded and distributed out, unless it was for points west of Moberly on the same line: That is it?

A. Yes sir.

Q. Both State and interstate would receive the same treatment, wouldn't they?

A. Yes sir.

Q. Isn't it true, as a general proposition, that the less
5758 than carload freight is handled more the further it goes?

A. No sir.

Q. If that freight which I have spoken of last had been destined for St. Charles, Missouri, or any point east of Moberly, it would have saved one handling at Moberly, wouldn't it?

A. Yes sir.

Q. And if I understand the testimony, your aim is, generally, so far as you can, to carry freight to division points, or to the division point nearest to the point of destination, on what you call a through State train, and from that point it is carried on what you call a way or local train?

A. Yes sir.

Q. Whether the freight be State or interstate freight: That is true?

A. Yes sir.

Q. And from St. Louis to Moberly what you call your through State freight,—and you would call that a through State train running from St. Louis to Moberly?

A. Well, it might be. The train might not go beyond Moberly.

Q. But on what might be called a through State train from St. Louis to Moberly, you mean to carry all the freight destined to points west of Moberly or north of Moberly, or your Des Moines Division,

both State and interstate, one as well as the other. Cars of interstate freight, cars of intrastate freight, are all commingled in that train from St. Louis to Moberly: Isn't that true?

5759 A. Yes sir.

Q. And beyond Moberly to points west, interstate freight and State freight are also commingled in the same train and carried to their points of destination on the way train?

A. Yes sir.

Q. Would this train that carries freight which we have already spoken of, destined for Moberly from points north or west of Moberly, also carry freight for points between St. Louis and Moberly?

A. Not as a rule.

Q. You have a train for that purpose, which you call a way or local train, haven't you, from St. Louis to Moberly?

A. Yes sir.

Q. Now, let me see if I understand that. That train is operated for the purpose of distributing freight to stations between St. Louis and Moberly?

A. Yes sir.

Q. That way or local train from St. Louis to Moberly, if you have a carload which has come from Cincinnati, destined to St. Charles, or any point between St. Louis and Moberly, it would carry that car, that way freight train?

A. Yes sir.

Q. And if you have a car of less than carload freight destined to points between St. Louis and Moberly, and interstate freight coming from points east of the river, that way freight train would also carry that freight and distribute it?

A. Yes sir.

5760 Q. Suppose you have a less than carload of freight coming from Cincinnati, we will say, and a single box, going to St. Charles, that goes into this way freight train, doesn't it?

A. Yes sir.

Q. Suppose you likewise have a single box of freight which has been bought in St. Louis by a St. Charles merchant, that also goes in that train?

A. Yes sir.

Q. When that train gets to St. Charles those two boxes are taken by your people into your warehouse at St. Charles, aren't they?

A. Yes sir.

Q. They receive exactly the same attention and the same treatment, and if they weigh the same and are the same class of freight, the same expense is incurred in handling them: Isn't that true?

A. Yes sir.

Q. Suppose you have a carload of freight the origin of which is St. Louis, destined for St. Charles, and another carload of freight the origin of which is in Cincinnati, destined for St. Charles, and turned over to you by the connecting line at St. Louis, both cars would go in your way or local train from St. Louis to St. Charles?

A. Yes sir.

Q. And when they got to St. Charles those cars would be uncoupled and put on the same track?

A. Yes sir.

5761 Q. And would be dealt with in exactly the same manner?

A. Yes sir.

Q. That carload of freight bought in St. Louis is loaded by the shipper, if it is a full carload, isn't it?

A. Yes sir.

Q. And when it gets to St. Charles, both it and the interstate carload are unloaded by the consignee?

A. Yes sir.

Q. And they stand on the same track while waiting to be unloaded?

A. Yes sir.

Q. And they are both shunted to the same track, by the same engine?

A. Yes sir.

Q. You spoke earlier in your testimony yesterday, using the expression "local trains." "State business is handled largely by local trains": That train we last referred to, and which you run from St. Louis to Moberly, is an illustration of what you mean by "a local train," isn't it?

A. That is one of the local trains?

Q. That is an illustration of a local train?

A. Yes sir.

Q. That distributes freight at points between St. Louis and Moberly and also it picks up freight between those points?

A. Yes sir.

Q. That is what you mean by a local train?

A. That train handled the ordinary freight. That train would not handle live-stock.

5762 Q. I understand that live-stock is an exceptional case. But, aside from live-stock, that is a local train?

A. Yes sir. There are other trains handling the live-stock in the same way.

Q. Does not most of the live-stock which your road carries constitute interstate traffic?

A. From Missouri?

Q. Yes.

A. No sir, I don't think so.

Q. In which direction is the movement of live-stock?

A. Well, it usually moves to the nearest market.

Q. In which direction is it on your road?

A. As the lines radiate from Moberly, it goes first to Kansas City or to Council Bluffs or to Des Moines or to Ottumwa or to St. Louis.

Q. Or to Chicago?

A. Not much of our business goes to Chicago.

Q. You do not carry much live-stock from Missouri to Chicago?

A. Not very much.

Q. They have packing houses at Des Moines, do they?

A. Yes sir.

Q. Do you carry any Missouri cattle or hogs to Des Moines?

A. Not very much, I imagine. Ottumwa would be somewhat nearer.

Q. Ottumwa would be on the same footing. They have packing houses there?

5763 A. Yes sir.

Q. You carry some Missouri live-stock to Des Moines and Ottumwa?

A. Yes sir.

Q. Do you carry stock to Omaha?

A. Not much. Stock as a rule seeks the nearest market.

Q. I understand. Where do you carry most of your live-stock?

A. I should say there was more of it came to St. Louis than any other point within the State.

Q. Does it go to St. Louis or East St. Louis?

A. Part of it goes to St. Louis and part of it to East St. Louis.

Q. Can you give me any idea of the proportion?

A. I would say that most of it goes to East St. Louis. Quite a lot of it does go to the St. Louis market.

Q. What goes to East St. Louis is interstate traffic?

A. Well, you might class it as such. It is really a St. Louis point of delivery.

Q. The live-stock that goes from St. Louis up to Ottumwa and Des Moines is also interstate traffic?

A. Yes sir.

Q. Live-stock, such as there may be, I think you said there wasn't very much, which goes to Omaha, is also inter-state?

A. Yes sir.

Q. But that which goes to Kansas City packing

5764 houses is all in the State of Kansas, isn't it?

A. We would not consider that interstate.

Q. You would not consider that interstate?

A. No sir. We would not consider East St. Louis business interstate.

Q. You would not consider it so?

A. No sir.

Q. Do you take any live-stock from west of Moberly to St. Louis or East St. Louis, or does that go north or west of Kansas City?

A. There is some live-stock from West Moberly into St. Louis.

Q. Is it true that most of the live-stock which goes to St. Louis and east of St. Louis originates east of Moberly?

A. I cannot say, exactly.

Q. Would some of it come from north of Moberly?

A. Yes sir.

Q. There are exclusive stock trains, are they, usually?

A. They carry other freight.

Q. They do carry other freight?

A. Yes sir.

Q. Are those what you call way or local trains?

A. Practically so.

Q. Have you any which you call live-stock trains?

A. Yes sir.

Q. Where do they run from?

A. Kansas City to Buffalo.

5765 Q. You spoke of that a while ago?

A. Yes sir.

Q. A train of that sort would not stop anywhere on the road to pick up another car of stock?

A. No sir.

Q. You said that, in your opinion, the State business in Missouri would cost two or three times as much to handle as the through business, on this Buffalo and Chicago train that you mentioned a while ago, those six trains: Can you offer any evidence in support of that opinion?

A. Only the instance I cited yesterday that these trains that do the State business carry a very light tonnage, comparatively.

Q. I am asking you if you can offer any evidence.

A. No sir. My statement was based on experience, you cannot state in any particular, constituting any one of the particulars which constitute the whole work of doing the business, you cannot state approximately how much more in that particular it costs per ton mile than it does to do this through business, between Chicago and Buffalo on the one hand, and Kansas City on the other hand?

A. I have said approximately it costs three times as much.

Q. I know there are a good many items, which you know better than I do, which go to make up the general body of operating expenses: But can you tell me with respect of any one item, how much more it costs?

5766 A. Assuming the through business could be handled at four mills per ton per mile, according to my estimate it would make the cost of handling the local business three times that.

Q. Four mills?

A. Yes sir.

Q. It would make the State business cost twelve mills?

A. Yes sir.

Q. You said two or three times: then it would be eight or twelve mills?

A. Yes sir.

Q. That is the result of it. But can you produce any figures or the results of any tests, to justify your opinion?

A. No figures. It is one of these things that a man learns by experience, and you cannot rub out the experience.

Q. Will you give your reasons for the extra expense: of what does the extra expense consist?

A. The first item is wages.

Q. Wages of what?

A. Everybody connected with the handling of the freight.

Q. I would like to be as definite as I can, that is pretty broad.

A. Train men, engine men, station men; and in the maintenance.

Q. Maintenance of what?

A. Maintenance of the equipment and of the road. Because you

ave to maintain for these local trains the same main track and passing tracks that you maintain for the through trains.

5767 Q. What is that, Mr. Miller?

A. You have to maintain for the local trains all the things ou have to maintain for the through trains, and in addition you ave the sidings for local business, including elevated tracks, stock-ards, warehouse facilities, and the labor cost.

Q. What do you mean by "labor cost"?

A. Whatever freight handling you have, and clerical force.

Q. Aren't your freight handlers included in your station men?

A. Yes sir.

Q. That is included?

A. Yes sir.

Q. What else?

A. A locomotive is practically use- on a local train going over one division, twenty-four hours. On the through trains that same engine can easily make a round trip. The local train hauls about ½ of the capacity of the engine, and the through train, as a rule, is loaded to the full capacity. The local trains having to do the switching, loading and unloading of freight at stations, make a great deal of over-time, something which seldom occurs to a through train. One hour's over-time on a train means an increase of ten per cent in the wages. It is not infrequent that they get in two, three or four hours over-time on those trains. In picking up stock, the shipper some-

5768 times has not his shipment at the station, it is on the way, or he has just arrived and the train has to wait. All those things get into the cost. It is necessary to maintain more water stations for the trains doing local work than it is for the through trains. The local trains use more coal, too. And supplies of every kind. The local business is re-handled more or less; at unimportant stations, less than carload business in the warehouse and carload business in the yard; all of which adds to the cost.

Q. Do you know the proportion of State freight and inter-state freight carried, the respective proportion of interstate and State freight carried by these local or way trains?

A. Not exactly. I think I guessed at that this morning.

Q. Carried by these way freight trains?

A. I made a guess on that this morning.

Q. I don't think so.

A. Do you mean by the local freight, particularly?

Q. I mean by the local freights, particularly. I do not mean the general business.

A. A large part of the business handled on local trains is State business.

Q. What percentage?

A. That would be simply a guess.

Q. You have spoken here now of sidings for local trains; I will ask you if your entire intrastate business was abandoned, if you would not have to maintain the sidings to accommodate the inter-state business done at those stations, those same sidings?

A. No sir.

5769 Q. Why not?

A. Because there is many a station maintained that would not be in existence if it was not for the local business.

Q. I am asking you, if your local business was abandoned, and you had a station there, would you not have to maintain the same sidings for your interstate business that you now have, the same sidings to accommodate intrastate and interstate business at every station, or at the stations along the line of your road? Wouldn't those sidings be necessary to accommodate the interstate business?

A. No sir. There would not be any station there if it was not for the local business.

Q. What?

A. There probably would not be a station.

Q. Do you mean to say you would abandon all your stations in Missouri?

A. No sir, but I mean to say we would abandon a great many.

Q. What ones?

A. I could not, off-hand, make an answer to that.

Q. You say you would abandon a great many: It is fair that we should know what ones you would abandon.

A. The stations on a railroad are placed usually about five miles apart. If we were building a new line of railroad today we would probably put them about that far apart; so as to take care of the local business, and not for the through business.

Q. But there is more or less interstate business at all these
5770 stations, isn't there, Mr. Miller? People receiving freight from outside the State and people shipping freight to points outside the State, at every one of your stations?

A. That is true today. But take the railroad when it was built, what was it built for?

Q. How is the merchant, for instance, at one of these little stations you say you would abandon, going to get a box of goods from Chicago?

A. How did he originate is the question.

Q. How would he get a box of goods from Chicago, unless you would maintain those sidings that you say are intended for the local business?

A. We would unload the box on the ground.

Q. On the ground?

A. That is done now at places where there is not sufficient business to maintain a station.

Q. Suppose he wanted a carload of goods?

A. That is altogether unlikely. At a station where there was not enough business to warrant a side track for the local business, there would not be any carload interstate freight.

Q. I will have to ask you how many station- there are in this State which, if you abandoned your local business, you would not keep up your sidings. We have spoken of sidings in a general way. We are to understand from your testimony that if it was not for your local business you would not have anything but main lines and passing tracks, in this State?

5771 A. I do not think I have said anything that could be construed in that light.

Q. I understood you that these side-tracks were built and maintained for the purpose of the local business and would not be used by the through business at all.

A. They were built when the railroad was first built. There was not any through business. It was built as a local railroad within the State.

Q. If you had your way you would make the Wabash a through line and would not have any local business in the State?

Objected to by counsel for Complainant.

The MASTER: I think that is legitimate cross-examination.

Mr. MINNIS: The witness has not asserted he should have his way. I think this is objectionable and really uncalled for, to say to a witness: "If you had your way you would assert a disposition to change the order of things" and I do not think it is justified.

The MASTER: I do not think it should be construed in any such way But I will suggest to counsel that in the pressure and enthusiasm of cross-examination you occasionally, uninte/tionally of course, do not give the witness time to complete what he is about to say. I know that it is unintentional.

Mr. LADD: I have not intended to interrupt him.

Q. When you were asked about the items that went to make up extra expense of handling the State business, you spoke about
5772 the construction and maintenance of sidings, which you said, as I recollect, would not be used for the purposes of through business at all: Now, I ask you, if those same sidings are not used for the interstate business, every one of them?

A. They happen to be, now. But they were constructed for the local business, very largely. And a great many of them, before the road had any through business, and before it was a through line.

Q. I don't know that I care much about that. They are maintained for the joint purposes of the interstate and State business now, aren't they, because they are employed in the transaction of both kinds of business: That is true, isn't it?

A. That is true only in a limited way. A great many sidings we could not afford to maintain for the interstate business alone.

Q. But they are used for the interstate business?

A. If they are there, they are used.

Q. A carload of stuff going from Chicago to Orrick is interstate business and when it gets to Orrick you put it on a certain siding?

A. Yes sir.

Q. You cannot leave it on the main track and you put it on some siding you have constructed and maintained there, and that is the same siding on which you put a carload of freight which originates at St. Louis: Isn't that true?

5773 A. Yes sir, but you have instanced as an example there something which might never occur. I do not know that the Railroad Company ever handled a carload from Chicago to Orrick. Off-hand I should say it never did.

Q. Take Carrollton.
A. They have done it, yes sir.
Q. They have done it at St. Charles?
A. Yes sir.
Q. And at Brunswick?
A. I don't know about Brunswick.
Q. You say the wages of train-men and engine-men are greater on the local than on the through trains. Those train-men and engine-men are hauling local trains containing both State and interstate traffic: You have already so stated?
A. Yes sir.
Q. It is not fair, is it, to charge the extra expenses of the wages of those men who are engaged in handling both State and interstate traffic, to the State traffic exclusively?
A. I do not know about that.
Q. Now, how is it about station men: Whom do you mean by station-men?
A. All of the force employed at the stations, locally.
Q. That would be the agent himself and his clerk, if he has one, and any handler of freight that might be there, and such men as that?
A. Yes sir.
Q. Those men are engaged in handling interstate business as well as State business, aren't they?
5774 A. Some of them do it incidentally.
Q. What do you mean by "incidentally"?
A. There are many stations maintained to take care of the local business that would not be maintained for the through business.
Q. But you do interstate business at those stations?
A. Yes sir, whatever it happens to be.
Q. And these same station-men are handling State business and interstate business, interchangeably?
A. Yes sir, but the interstate business is a small part of it, at the local stations.
Q. What is the proportion, if you know, between interstate freight and State freight, in volume?
A. I do not know.
Q. Isn't there three times as much in volume, in your judgment, of interstate as there is of State freight?
A. Handled locally or in general?
Q. Interstate freight in Missouri.
A. Handled locally?
Q. I am talking now about the interstate freight, and by that I mean freight that starts in Missouri and ends somewhere else, and vice versa, isn't there three times as much in volume of that as there is of purely State freight, on your road?
A. On the whole I should say so.
Q. On your road?
A. On the whole road I should say so.
Q. On your road in this State?

5775 Objected to by counsel for Complainant, because there is one other element of interstate freight, and that is business that arises out of Missouri, destined to a point beyond Missouri, and passing through Missouri. He has limited his question to freight originating outside and ending inside or originating inside and ending outside.

The MASTER: I suppose Mr. Ladd's main object of inquiry is, what is the relative proportion, if you can give an opinion.

Mr. LADD:

Q. What is the relative proportion of interstate freignt handled by your road in Missouri, and the purely State freight, in volume?

A. Isn't that the same question you asked this morning?

Q. I don't remember.

A. I said 75 per cent for interstate and about 25 per cent would be State.

Q. So these station-men, if that is true, are employed three-fourths of their time in taking care of interstate freight and only one-fourth of their time in taking care of State freight?

A. Oh, no, Sir, I do not say that. They do not get their hands on the through business at all at the local stations.

Q. What do you mean, then?

A. No agent between Kansas City and the Mississippi River would touch a car of live-stock in the Buffalo stock train.

Q. But the agent at Kansas City has something to do with it?

5776 A. Yes sir.

Q. He is a station-man?

A. Yes sir.

Q. I am speaking of it on the whole: Take all the stations and all the business. If one class of business is three-fourths of the volume and the other is one-fourth of the volume, doesn't it stand to reason that the time of the station-men is taken up three-fourths in handling one class and one-fourth in handling the other class?

A. Oh, no.

Q. It does not?

A. No sir.

Q. You spoke of elevator tracks: You have to maintain the elevator tracks for your convenience. What are those tracks the tracks running up an elevator to load grain?

A. Yes sir.

Q. That may constitute an interstate shipment; it may go out of the State and often does?

A. It more often stays within the State.

Q. It often goes out of the State?

A. Occasionally. I should say a small part of it does.

Q. Warehouses: You have to have a warehouse for the accommodation of your interstate freight, don't you? A merchant from Carrollton buys a bill of goods in New York or in Chicago, and it is brought to him over your road, and you have to have a warehouse

to accommodate that until he comes with his drays to take it away, don't you?

A. Yes sir, but not so much of a warehouse as we do for the local business. The interstate business at Carrollton is a small part.

5777 Q. I only speak of Carrollton as one place. That is true of all places, isn't it?

A. To a limited extent. The smaller the place the less interstate business.

Q. Do you mean to say that on account of your local business you keep a larger warehouse than we would have if you did not have any local business?

A. Yes sir. Many places we would not have any, except for the local business.

Q. And there are places where if you did not have any interstate business you would not have as much of a warehouse as you do?

A. Yes sir, that is true.

Q. The more business you have, whether made up of local or interstate, or not, the larger accommodations you have to have for it?

A. Yes sir.

Q. Is that any reason why the local freight should be charged with any more than its proportion of the expense of accommodating it?

A. We are simply charging the proportion of the expense that in our judgment seems proper, according to the volume of the business.

Q. Take an illustration: Here is 20 cubic feet of space: You want to charge the local business three times as much for the use of that space as you would the interstate business for the use of the same amount of space: That is it, isn't it?

5778 A. Yes sir, because the volume of the business is in about the same proportion.

Q. I do not think you understood my question. I say, your proposition is, to charge the local freight business for the use of 20 cubic feet of space which is filled up with that amount of local freight, three times as much as you would charge the interstate business for occupying the same space: That is it, isn't it?

A. Yes sir, but put the thing in another way: There is a lot of interstate business does not get into a warehouse, and at these local stations they get their business in that small way, that necessitates warehouse space.

Q. You say the local trains among other items of additional expense have to do the switching, loading and unloading at the stations: They have to do that for the interstate freight they carry just the same as they do for the State freight, don't they?

A. Yes sir, but we would not run local trains regularly for the interstate freight that comes to local points.

Q. But if they have some interstate freight on the local train, as you say they do frequently, or perhaps habitually, they have to have some interstate freight on the local train, and it has to be switched.

unloaded, and loaded, and it is done exactly in the same way as the local freight, at the same place?

A. Yes sir.

Q. And it takes the same amount of time?

5779 A. No sir, because the volume is different.

Q. It takes the same amount of time to switch a car whether it is loaded with interstate freight or State freight, onto a siding, and leaving it at the same place: That is true?

A. Yes sir.

Q. And it takes the same amount of time for the train men, or the station hands, to unload five boxes of merchandise whether it is interstate freight or State freight: That is true?

A. Yes sir, but——

Q. So, the time consumed or lost by the equipment, while waiting for that service to be performed, is precisely the same, on the same property, under the same circumstances, in either case: Isn't that true?

A. It is under the example you gave. But where there is one shipment of five boxes of interstate freight, there may be fifty boxes of State freight.

Q. You said that some times a train would have to wait for livestock, the farmer would not have it there, that livestock might be going to Des Moines or Ottumwa, or East St. Louis, mightn't it?

A. Yes sir.

Q. And you would have to wait just as long for that farmer as if it were going to some place in Missouri; there would not be any difference?

A. Yes sir, but I said that most of the business did go to Missouri points.

5780 Q. You say there is some going up to Des Moines and Ottumwa. But the waiting for the farmer would be the same in either case, whether the stock was going outside of the State or to a point inside the State?

A. No sir, except that in proportion the business going up that way would be small as compared with that coming down this way.

Q. I am not talking about proportion: You say you have to have more water stations for the local freight trains: You mean the local trains having to stop oftener to get water?

A. Yes sir.

Q. If those trains, as you say, are hauling interstate freight, it is to supply the engine with water to haul that interstate freight as well as the State freight, that the train stops?

A. Yes sir, but the through train that is made up almost wholly of the interstate freight does not stop as frequently as the local trains.

Q. We are talking about local trains, and I believe you have stated that almost all interstate freight coming from the east, destined between St. Louis and Moberly, is taken on the local trains: And all interstate freight taken up at points between St. Louis and Moberly is taken on local trains; and the same is true of the interstate freight which you pick up at St. Louis, that is carried on local

trains west of Moberly. These water stations are made for the accommodation of that interstate traffic which is carried on
5781 the local trains, as much as they are for the interstate traffic, aren't they?

A. No sir, the water stations are supposed to accommodate the local trains, and when they are so spaced there is no question about the other. What I mean by that is this: A through train will easily run 50 miles without replenishing its supply of water; and a local train cannot run over half that distance without doing so. Therefore, it becomes necessary to have twice as many water stations to accommodate the local train service as it does the through trains.

Q. Yes, but what I am trying to elicit is this, Mr. Miller: You have said that these local trains transact all the interstate business between Moberly and Kansas City. The interstate business is carried on these local trains: And I ask you if the expense incident to the operation of these local trains should not be charged partially to the interstate traffic instead of wholly to the local traffic?

A. We have not said they were charged wholly to the local traffic.

Q. You said yesterday that the local train might carry 100 tons and a through train 300 tons: How much of that 100 tons, assuming that to be the tonnage of the train, would be State freight, and how much interstate freight?

A. I could not say exactly, but on the local train the interstate business would be a small part of the whole.

Q. I think you said you could not tell how much of that 100 tons was State freight and how much was interstate freight,
5782 and therefore I take it you could not tell how much of it was State less than carload and how much was interstate less than carload freight?

A. No sir.

Q. I think you said this morning that that information might have been obtained?

A. Yes sir.

Q. By actual observation of the movements of your trains.

—. ——.

Q. And I suppose you would be equally unable to say how much of that 300 tons on the through train is interstate and how much State freight?

A. Yes sir.

Q. How much was carload and how much less than carload?

A. Yes sir.

Q. Would it cost any more per ton per mile to handle that part hauled by the local trains, which is a State carload, than that part which is an interstate carload?

A. No sir.

Q. Would it cost any more per ton per mile to handle that part of the 100 tons which is State less than carload than that which is interstate less than carload?

A. No sir.

Q. Does it cost any more to handle that part of the 300 tons in through train, which is State carload, than it does the interstate carload?

A. Yes sir.

Q. What are the extra items of cost?

A. The State carload—or the movement of any carload, or any freight—involve handling at two terminals, at least; and the nearer you move those two terminals together the higher the cost.

Q. Two terminals. On the State carload you say there are two terminals used. How many on an interstate carload, one?

A. I believe I stated that all freight involved at least two terminals. Now, the nearer you bring those two terminals together the more it costs per ton per mile to handle that freight, because the terminal charges must come out of your transportation revenue.

Q. You mean if the haul is shorter in one case than it is in the other, that makes the average of the terminal expense larger in the case of the short haul than the other?

A. Yes sir, an increase of cost of handling.

Q. Suppose the length of the haul is the same?

A. Then there would be practically no difference.

The MASTER: Your unit of estimate, whether of expense or of revenue, being the ton mile, the cost would be proportionately or relatively increased by bringing the two terminals nearer together?

A. Yes sir.

Q. Because the ton mileage of the same number of tons would be lower?

A. Yes sir.

Mr. LADD:

Q. Suppose you take on at Carrollton, a carload of grain for Chicago: Now, I understand that you would take that car on a local train to Moberly, the nearest division point: Am I right about that?

A. Yes sir.

Q. And from there it would be put on a through train to Chicago, or a through train to Hannibal?

A. A through train to Hannibal.

Q. Would that train from Moberly to Hannibal, which you call a through train, make any unimportant stops for the purpose of taking on freight or unloading freight?

A. No sir.

Q. It would not?

A. No sir.

Q. Then at Hannibal what would become of that car, destined to Chicago: Would it be put into another train there?

A. Nominally it might. Actually it might not. It might stay right in its position and just change engines.

Q. That is to say, if you had a full train from Moberly, when you started, you would send that train right on from Moberly, with a new engine?

A. Yes sir.

Q. But if you had any freight there for Chicago you would couple it on and make a train of that, with the others you brought in from Hannibal?

A. Yes sir.

Q. That is a Chicago shipment: Now, take a carload shipment from Carrollton to Hannibal, a State shipment: Would that car be taken by your company on the local train to Moberly?

5785 A. Yes sir.

Q. And from Moberly to Hannibal on a through train?

A. Yes sir.

Q. You would handle that car in exactly the same way you would a car destined to Chicago?

A. To Hannibal, yes sir, but we would not handle it in the same way to Hannibal.

Q. But to Hannibal you would handle it in the same way?

A. Yes sir.

Q. Then when it got to Hannibal what would you do?

A. Put it on the delivery track——

Q. Place it for the consignee to unload it?

A. Yes sir.

Q. And with the Chicago shipment, you get it onto another track and put it with some other shipment to go to Chicago?

A. The Chicago shipment might not involve any handling of the car?

Q. It might or might not?

A. As a rule it does not on the through train.

Q. But from Hannibal to Carrollton you handle it in exactly the same way, and incur precisely the same expense, don't you?

A. Yes sir.

Q. And you incur precisely the same expense at Carrollton. That is you set the car on the proper track at Carrollton, so the consignee may load it, that is right?

A. Yes sir.

5786 Q. In either case?

A. Yes sir. But the car does not earn as much going from Carrollton to Hannibal as it does going from Carrollton to Chicago.

Q. I am not asking about revenue now, but about expense. But at Carrollton and from Carrollton to Hannibal, those two cars are dealt with by your company in precisely the same manner?

A. Yes sir.

Q. And they go in the very same train, one a local and one a thorough train?

A. Yes sir.

Q. I understood you to say yesterday that the extra cost of doing local business in Missouri, on the Wabash road, was about the same as on the Burlington, and practically the same as on the Missouri Pacific, in Missouri?

A. Yes sir.

Q. Suppose you were to learn that the interstate less than carload business on the Missouri Pacific Railroad was about twice as much as the State less than carload business, in volume, it would then fol-

low, wouldn't it, that these facilities you have spoken of at the stations are used twice as much for the interstate as for the intrastate business?

A. Yes sir, I spoke of the Missouri Pacific only in a general way, that they handled their business locally in about the same way as the other. I did not assume to say that I knew anything
5787 about the volume of their State or interstate business.

Q. Suppose a carload of flour shipped from Kansas City to Hannibal, what kind of a train would that go in: A local train or a State through train?

A. In a State through train.

Q. Now, the expense of handling and transporting that carload of flour to Hannibal would not be any greater than it would to handle and transport it to Hannibal, if it was going still further, and going to Chicago?

A. Yes sir.

Q. Why?

A. It would bring the two terminals nearer together. The cost per ton would be heavier.

Q. That is, Hannibal and Kansas City are nearer together than Kansas City and Chicago?

A. Yes sir.

Q. But I am talking now about the cost of conducting transportation from Hannibal to Kansas City, it does not cost any more to take that carload of freight from Kansas City to Chicago?

A. Only in that way, that terminal expense is part of the expense of conducting transportation.

Q. Do you know what the average haul of the interstate less than carload freight is in Missouri?

A. I do not.

Q. Or the average haul of State freight less than carload?

A. I have never kept those items separate.

Q. Do you know what is the average haul of State carload
5788 and interstate carload freight respectively in Missouri?

A. On those items I have never separated it.

Q. How far is all freight handled, on the average, in Missouri?

A. I do not think we have any statistics on that point.

Q. To what branch of the expense do you impute the extra cost per ton mile of handling the State freight business: Your operating expenses are divided into several branches: Maintenance of way and structures, maintenance of equipment, conducting transportation, and general expenses: In which one of those branches is the extra cost and expense realized?

A. In all of them.

Q. In which one of them is it, mainly, Of course you are familiar with these details, aren't you?

A. Yes sir. That is, as to dividing the expenses between those four accounts?

Q. Are you familiar with the details of each one of these accounts?

A. To some extent.

Q. If you have your annual report there for 1905, you will find it on pages 44 and 45.

A. I have it here.

Q. In which one of these four general subdivisions is the increased cost incurred?

A. It gets into all of them.

Q. I mean to say, in which is it mainly incurred?

A. In conducting transportation, because that is the largest
5789 part of the whole expense. That is the largest part of those four accounts.

Q. What proportion of it is realized in conducting transportation, the extra part?

A. The cost of conducting transportation is usually about one-half the total ton mile cost.

Q. Is it one-half?

A. About that. It varies.

Q. You do not know individually, you stated this morning, what the average cost per ton mile is of all your freight business in Missouri?

A. Not in Missouri. I haven't got that separate.

Q. You say the conducting of transportation constitutes about one-half of the total operating expenses: Is that right, in the case of freight?

A. As a rule, yes.

The MASTER:

Q. By that I take it, you mean one-half of the operating expenses. That does not take into consideration, or does it, the fixed charge, or things of that sort?

A. No sir. Just operating expenses. About one-half of the things that are put into the ton mile cost.

Mr. LADD:

Q. Please look at those items under the head of "conducting transportation of freight", on page 45: Those are the figures for the entire system, I believe, aren't they?

A. Yes sir.

Q. Do you say, or wish to be understood as saying, that for each one of those 25 or 30 items under that head the cost per ton
5790 mile for the transportation of the State business is three times as much as the through business—two or three times as much?

A. Yes sir.

Q. Look at the item for 1905, for instance: "Outside agencies $369,236.97, for the year ending June 30, 1905: Do you think the local traffic should be charged up with three times its proper share of expense on that account?

A. Not perhaps on that particular item.

Q. Ought it to be charged with any more than the interstate?

A. I could not say, off-hand.

Q. Ought it to be charged with as much? Are not those agencies for the cultivation of the through traffic, Mr. Miller, the outside agencies?

A. Well, that item covers a lot of agencies that are local to the State.

Q. It says "Outside agencies"?

A. Yes sir.

Q. Is not that wholly, or mostly, very largely in connection with the through business as distinguished from the State business?

A. I think not. We have, for instance, a local agent here, but he might be classed as a State man. The commercial agent who has a staff of solicitors in the city of St. Louis would, I think, count under the head of "Outside agencies", just as much so as the man in San Francisco. That is my impression. The same is true of Kansas City.

5791 Q. Do you think that expense which ought to be charged to State traffic on account of outside agencies, is two or three times as much as for the same amount of interstate?

A. No sir. I said not. Not on that particular item. On the other hand, you might pick out items there where six times as much was directly chargeable to the local freight. But on the whole my judgment is that three times is approximately the cost.

Q. Mr. Miller, I wish you would, if you will take the time, take all these items which go to make up your operating expenses, and make a statement of how much in each case ought to be charged as an extra to the State business?

A. I cannot do it, off-hand. I would not undertake to make an estimate of one part of any particular item.

Q. How can you estimate the whole unless you can make an estimate of the items?

A. From years of experience in handling this business.

Q. I understand your experience, and it has been a long one; But I want to know how you can make an estimate on the whole when you are unable to make an estimate on any one of the particular items constituting the whole: That is what puzzles me.

A. As you would estimate a-ything you know about, and in the same way, from your knowledge.

Q. You have never undertaken to make any tests?

A. Oh, yes, we have. I have been on these way freight trains, and I have handled this freight, package by package, have been over the road with them, on through trains on local trains; been

5792 through every branch of that business; and from that experience I have given it as my opinion, that it costs about three times as much to do this local business.

Q. Now that is just exactly what I want. I would like to have you produce there the details of those tests you say you have made on the local trains and the through freight trains. That is what we want.

Q. We cannot do it.

Q. You say you made them, let us have them.

A. I did not say we made tests. I said the conclusion was reached after going through the mill, in the State of Missouri more particularly. And because we have had to do with the local railroads in

the State of Missouri particularly, and know that these local railroads could not live, and do not live, until they get attached to some through line, that gives them interstate business and through business.

Q. You mean branch lines?

A. I mean railroads that run clear across the State of Missouri. This one particularly was in the same way.

Q. You have been connected with the road only since May 1st, 1905?

A. Yes sir.

Q. Then I will not ask you a question I had in mind.

Please look at page 45 of your report for the year ending June 30, 1905, under the head of "Conducting Transportation": I would like to know if those figures there include the terminal expense in connection with the freight?

A. Yes sir.

5793 Q. You have spoken about terminal expenses, and there sometimes being two terminals and sometimes one: In your opinion, what is one terminal expense for one ton of freight. Of course, I mean the average?

A. The total expense?

Q. What you call "terminal" as distinguished from the actual movement of the freight between stations. You said a while ago that sometimes there were two terminals and sometimes only one, and especially in the case of a short haul, the terminal expense added to the rate per ton per mile, very largely, much more so than when there was a long haul: Now, in your opinion, what is the average expense for one terminal per ton of freight?

A. About fifty cents.

Q. Now, I will ask you to please look at page 47 of your report for the year ending June 30, 1905, and state what for the year 1905 were the average gross earnings per ton of freight carried on your system?

A. $1.329.

Q. What were the average expenses per ton for the same period?

A. $1.232.

Q. Referring to the same page, what was the number of tons of revenue freight carried on the system during that year?

A. 10,267,436.

Q. Looking again at page 45, what was the total expense of conducting freight transportation that year?

A. 6,860,061.47.

5794 Q. Would it be too much to ask of you, Mr. Miller, to figure out how much that would be a ton? Would that take you too long?

A. About 67 cents, in round figures.

Q. Mr. Miller, the figures which you have given as to the number of tons carried as revenue freight: what was the number of total tons carried, including company freight?

A. 12,227,435 tons.

Q. Including the company as well as the revenue freight, what was the expense of conducting transportation, per ton?

A. 56 cents.

Q. You were to bring in a statement showing the details of the extra cost under those four heads given in your statement?

A. I stated it applied to all four.

Q. Those items which are incident to State business are three times as much in proportion to the State business as to the through business?

A. On the whole. And then you singled out a particular item and asked if I thought the cost of outside agencies was a- much, and I said no.

Q. Mr. Minnis says that you said every one of those items was affected?

A. Yes sir, because the tons are divided into the expenses.

Q. Tell me, then, how the item of insurance amounting to 50 or 60 thousand dollars a year is affected?

A. That is one of the items of expense taken into account
5795 in the operating expenses of the railroad, and in arriving at a ton mile cost you simply divide the tonnage into the total expenses.

Q. But, now, Mr. Miller, is the insurance on a freight car any more because it is used for local freight than if it were used for interstate freight?

A. Not in that way. But in another way——

Q. But is the insurance——

Mr. MINNIS: Let him finish his answer.

A. In another way, we measure everything by its earning capacity. If a car only travels a certain distance locally, in a day, we figure it is costing more to handle the freight in that car than if it travels twice the distance in other service, in the same length of time. And in that way the insurance cost gets into the haul cost.

Q. But, Mr. Miller, every part of the property which is devoted to or used for the purpose of carrying on the State freight business, does it bear any higher rate of insurance than that part used for the interstate business?

A. Only in the way I mentioned.

Q. Does it bear any higher rate of insurance, do you pay any higher premium?

A. No sir.

Q. "Renewals of Rails" is a large item, under the heading of "Maintenance of Way and Structures." Does that cost you any more because you happen to be using those rails for the transaction of local business than it does for through business?

A. In a small way.

5796 Q. How?

A. Because of the additional sidings for the local business.

Q. Suppose these sidings are used for interstate business, too, as they are?

A. They are used only in a limited way, comparatively.

Q. Suppose they are used?

A. They are used a great deal more for the local business than they are for the interstate business, because of the difference in the volume of the two.

Q. And you think it is fair to charge the State business with more than its average proportion of the amount for the renewal of rail, simply on account of its being State business?

A. I do not understand that we do charge more.

Q. Is there any more wear and tear on the rails caused by the running over it of a local train than there is by a through train at a higher rate of speed?

A. Not of main track. But the through train does not get onto the siding or the elevator track.

Q. Then it is simply that part of the renewal of rails which goes into the sidings, is that right, where the local ought to be charged more than its proper proportion: Is that it?

A. Yes sir.

Q. And that you say is right, although those same sidings are used for the transaction of the interstate traffic?

A. Yes sir.

5797 Q. Under the same heading "Maintenance of Way and Structures" there are "Repairs and Renewals of Fences": Should the State business be charged any more than its average proportion on that account?

A. Yes sir.

Q. Why?

A. Because the local stations involve certain fences at the crossings that go into the stations and out. It is a very small part but it is made necessary by the stations.

Q. There is an item in 1905 of 117 thousand dollars on the system?

A. Yes sir.

Q. Fences along the line of the road. Are they exposed to any peculiar danger by reason of the operation of trains carrying State freight?

A. Oh no.

Q. You say fences about the station are exposed to danger by the way trains which they do not meet from the through trains?

A. I said fences were necessary at the local stations, that would not be necessary if we did not have the local stations.

Q. If you did not have the local stations?

A. If we did not have so many. There are some fences that are necessary on account of local stations.

Q. And if you did not have the local stations you would not have the fences?

A. We would not have cross fences.

5798 Q. If you did not have the local stations you would not have the cross fences?

A. No sir, not at that station.

Q. If you did not have the local stations there would not be anything there at all, would there?

A. There would be the right-of-way, the fence on the right-of-way, on both sides.

Q. But it would be just like any other place on your line, your right-of-way?

A. Yes sir.

Q. If the station was abolished and there was not any station there at all?

A. Yes sir.

Q. But there being a station there, it is used for both State and interstate business, do you think it is fair to charge State business with an additional part of the expense on that fence?

A. Yes sir.

Q. Why?

A. Because it is a local station.

Q. But you do interstate business there?

A. Only a small part.

Q. Does that make any difference?

A. Only a very small part comparatively is interstate business at the local station.

Q. Suppose you knew there was twice as much less than carload business done in Missouri as there is State less than carload, would that change your opinion about the utility and necessity for having local stations to accommodate that local business?

5799 Objected to by Counsel for Complainant, on the ground that that is a presumption based on a presumption.

Mr. LADD: I am asking him that.

The MASTER: You may answer.

A. I did not exactly catch that.

Mr. LADD:

Q. Suppose you assume that the interstate business in less than carload lots on your road in the State of Missouri is twice as great in volume as the State business in less than carload lots, would that change your opinion as to the utility and convenience of having stations to accommodate it?

A. Yes sir.

Q. Looking at page 45 of the report for 1905, it says "Car mileage $278,786.13": That means a balance which you have paid to other companies for the use of their freight cars, doesn't it, over and above what you have received from them for the use of their cars?

A. Yes sir.

Q. Do you pay any more per diem for the use of a car belonging to another company when you use it for the hauling of State traffic than when you use it for the hauling of interstate traffic?

A. Not for the same movement.

Q. Mr. Miller, I will ask you if you, in common with all railroad managers, do not aim to keep your track in much higher and better condition, so as to accommodate your through and competitive business, than you would for purely State business?

5800 Mr. MINNIS: Does that refer to freight business, or freight and passenger?

A. The same track is used by both. They are both kept in the same condition.

Mr. LADD:

Q. What I am asking you is, whether the principal incentive for keeping the track in very high and excellent condition is to accommodate and secure the through or competitive business?

A. Not particularly.

Q. That has nothing to do with it?

A. It has something. But there is just as good track between St. Louis and Kansas, locally, as there is anywhere on the Wabash Railroad.

Q. I understand that, and it is used for competitive business, through business?

A. Not so much as it is the other way.

Q. What other way?

A. Through business largely moves through Hannibal.

Q. From Moberly west you do a large through and competitive business over that track?

A. It is not any better than it is from Moberly east.

Q. It is not any better?

A. No sir.

Q. It is just as good from Moberly to St. Louis as from Moberly to Kansas City?

A. Yes sir.

Q. Don't you strive to get through business turned over
5801 to you at St. Louis?

A. From connections here.

Q. From your connections here?

A. Yes sir.

Q. What I am asking is, and what I have in mind is, and if I am mistaken I shall learn, whether railroad companies do not, in putting their tracks in a superior condition, have in mind, and if it is not their principal motive to attract through, fast, competitive freight business?

A. As a rule that is true.

Q. Mr. Miller, I will ask you if you think there is a station on your road in Missouri that does not handle more interstate than State business?

A. Oh, yes, many of them.

Q. Where are they, name them, please.

A. I could not enumerate them, but I should say that 90 per cent of the stations in Missouri handle more State business than they do interstate.

Q. Will you name a few between Kansas City and St. Louis, where there is more State than interstate business handled?

A. That would be a mere surmise. (Witness examines time table.) I do not see a station between St. Louis and Kansas City that I would

not say, off-hand, handled more State business than interstate, including St. Louis and Kansas City.

Q. Mr. Miller, when you run your State through train from St. Louis to Kansas City—or, perhaps you did not call it, but I called it that, or at any rate it has been spoken of here as a State
5802 through train; Is not the cost per ton per mile for the transportation of freight in such a train as that, just as low as if it were carried all the way from Kansas City to Buffalo?

A. No sir. If the terminal expense comes in there. And there are not many trains that actually run through solid between St. Louis and Kansas City.

Q. Exclude that additional terminal expense, the expense of one terminal, with that exception is not the cost per ton per mile of the freight carried in such a train as that, as low or about as low as it is in a train carried from Kansas City to Buffalo?

A. It would be if it ran unbroken between St. Louis and Kansas City, with the same tonnage that the other train has.

Q. That is exactly what I mean?

A. Yes sir. But those trains do not run unbroken, as a rule.

Q. Did you say you considered live stock carried from Missouri to East St. Louis as State freight?

A. Practically so, yes sir.

Q. Is it State or interstate? It must be one or the other?

A. It is carried to East St. Louis for the same rate as it is to St. Louis.

Q. For the same rate?

A. Yes sir. So it is practically State business. We consider it so.

Q. That which goes to East St. Louis, pays a bridge toll
5803 and you get that much less?

A. Yes sir.

Q. How do you regard other kind of freight, than live stock, which is carried from points in Missouri to East St. Louis: Is that State or interstate freight?

A. It is all handled on about the same basis.

Q. Is it State or interstate freight?

A. We would consider it State freight because East St. Louis is practically St. Louis delivery, and we agree to give either.

Q. Mr. Miller, take three carloads of freight, all of which originate at Chicago, and destined, one for Kansas City, one for Carrollton, and one for Moberly: Please describe how under your general practice each of those cars would be handled from the point of origin to the point of destination?

A. If Chicago had a full train of Kansas City freight, the Moberly cars and the Carrollton cars would follow on some other than a through train. If Chicago had not enough freight to fill a through train for Kansas City, they would put into that train the Moberly car and the Carrollton car, to go as far as Moberly.

Q. And then from Moberly, as I understand from the previous testimony, that car would go to Carrollton in the way train?

A. Yes sir.

Q. That is only in the case where there is not at hand a full through train from Chicago to Kansas City.

A. Yes sir.

5804 Q. If there was, it would not be put into such a train, that is the Moberly and Carrollton cars, but they would be put into another kind of a train, which you would not call a through train?

A. That is right.

Q. What kind of a train would you call that?

A. A train designed to clean up just such business as that.

Q. Another question, which Mr. Ludlam has suggested: Please take three boxes of soap, each weighing 150 pounds, originating at Chicago and destined, one for Kansas City, one for Carrollton and one for Moberly: Describe how that freight would be handled from Chicago to the respective points of destination?

A. The Kansas City shipment would be put in a through car from Kansas City: The Moberly and Carrollton shipments would probably land in the same car, which would be loaded either on Hannibal or Moberly, to be transferred and put on the way freight trains.

Q. They would all go though Hannibal?

A. Yes sir.

Q. You say the Kansas City soap would be put on the through Kansas City car?

A. Yes sir.

Q. And go on what you call a through train?

A. Yes sir.

Q. Carrollton and Moberly soap, what kind of a train would they go in from Chicago?

5805 A. They would be handled in about the same way that the carload from Moberly or Carrollton would be.

Q. They would go to Hannibal probably in the same car.

A. Yes sir, and there be rehandled.

Q. And put into another car?

A. Yes sir, for Moberly. And there the Carrollton shipment would be rehandled.

Q. Let me see if I follow you: At Hannibal those two boxes would be rehandled and put into another car?

A. Yes sir.

Q. And carried in that other car to Moberly?

A. Yes sir.

Q. What would happen at Moberly? The Moberly soap would be taken out and then what would become of the Carrollton box?

A. The Carrollton box would be put in a local train that went through Carrollton. That would make two handlings.

Q. Those are all interstate shipments, those three boxes of soap?

A. Yes sir.

Q. So for the Carrollton box of soap there is a handling at Chicago, a handling at Hannibal, a handling at Moberly, a handling at Carrollton; four handlings?

A. It might be. And it might be loaded on Moberly.

Q. There is a loading at Chicago, an unloading at Hannibal;

reloading at Hannibal, unloading at Moberly; reloading at Moberly, and unloading at Carrollton?

A. My impression is that Chicago loads a daily car on Moberly I know they load a daily car on Hannibal.

5806 Q. If they load a daily car to Moberly there would be no rehandling at Hannibal, I suppose?

A. That is right.

Q. That would be one less handling?

A. Yes sir.

Q. Now, take three boxes of soap of the same kind, loaded at Hannibal for Kansas City, Carrollton and Moberly; How would those be handled, Hannibal being the point of origin?

A. They would be loaded in the car on Moberly, and the Carrollton shipment would be transferred at Moberly in a car that would go forward on the local train to Carrollton.

Q. What about the Kansas City soap?

A. Hannibal would load a straight Kansas City car, as a rule.

Q. The car that the Kansas City box goes in at Hannibal, it would stay in until it gets to Kansas City, you think, or would that be transferred?

A. I think it is rather doubtful whether Hannibal makes a merchandise car for Kansas City. I think not.

Q. If not, it would be transferred at Moberly just as the Carrollton box would?

A. Yes sir, the chances are that it would.

Q. Mr. Miller, there has been handed to me a memorandum of what I understand to have been an actual transaction: Your company on October 21, 1905, and on October 29, 1905, hauled two cars of pressed brick from St. Louis to Des Moines, Iowa, destined

5807 to Duluth, Minnesota. The through rate on these shipments was 12 cents per hundred pounds, out of which the company allowed one cent per hundred for switching at St. Louis: If the through rate of 12 cents was divided on a mileage basis, the company would have received for its haul of 340 miles from St. Louis to Des Moines 4.96 cents per hundred pounds, after dividing one cent for the switching absorbed by the company there remained net earnings of 3.96 cents per hundred pounds, or 2.33 mills per ton per mile; Now, that was an interstate shipment. I think you testified that assuming the average was four mills per ton per mile, you thought the cost would be 8 or 12 mills per ton mile for State freight, and here you only received 2.33 mills per ton mile on those shipments.

Mr. MINNIS: I object because there is no evidence that there were any such shipments as that.

Mr. LADD: I will refer Mr. Miller to way bills W. D. 1, and W. D. 2.

Mr. MINNIS: I object to him assuming any facts that may hereafter be offered, unless he states them as assumed facts.

The MASTER: In the way the question is asked, the objection is well taken.

Mr. LADD: Assuming these were the actual facts, on an actual transaction, do you think your company made money or lost money by hauling that freight?

A. I think we lost money, because we cannot handle freight at any such price, interstate or local.

5808 The usual hour for adjournment,—the further hearing of testimony herein is adjourned to Thursday, December 20, 1906, at 10 o'clock, A. M. then to be resumed at the same place.

ST. LOUIS, MISSOURI, *Thursday, December* 20, 1906.

Met pursuant to adjournment as above on Thursday, December 20, 1906, at 10 o'clock in the forenoon, in the Federal Building in the City of St. Louis, Missouri. Present parties as before.

The following proceedings were had:

Cross-examination of Mr. HENRY MILLER continued.

By Mr. LADD:

Q. Mr. Miller, you were asked yesterday as to the amount of freight trains run in Missouri, other than the through Chicago and Buffalo trains: You mentioned six of them. Are you able to answer that this morning?

A. Yes sir. I have a list here compiled from the time table, and also have the time table itself, showing there are six through trains and 27 locals in Missouri, not including the branch trains.

Q. Six through trains besides the six you mentioned yesterday?

A. No sir, six through trains altogether.

Q. Those you mentioned yesterday?

5809 A. Those I mentioned yesterday. Now, in addition to these there are 27 local freight trains. This does not include the trains on branches, that also handle freight. All of the branch trains handle both freight and passengers.

Q. Twenty-seven locals?

A. Yes sir, 27 local trains.

Q. In those 27 would you include a train that runs through from St. Louis to Kansas City?

A. No sir.

Q. I want all the freight trains in the State?

A. We have classed those as through trains.

Q. How many of those are through? I want all the trains that run in the State, besides those six you mentioned yesterday?

A. This gives all the trains that run in the State.

Q. Twenty-seven includes them all?

A. Twenty-seven locals and six through trains, a total of 33 freight trains.

Q. I must have misunderstood you, then. I understood you to say that the six through trains were the six you mentioned yesterday running from Chicago and Buffalo to Kansas City?

A. That was three in each direction; and that is the total of the through trains.

Q. In the 27 do you include a through train from St. Louis to Kansas City?

A. No sir, they are included in the through trains. Perhaps I can make that a little more clear by saying that number 96 from
5810 Kansas City is a train that runs in sections, one to St. Louis and one eastward.

Q. Where to?

A. The first 96, for instance, will carry business from Kansas City to St. Louis. The second 96, being a section of the same train, will carry the Buffalo business. They are shown on the schedule as one train. All of these trains except the locals run more or less in sections, according to the business.

Q. You spoke yesterday of what was called through State train, a train running from St. Louis to Kansas City: How many of those are there?

A. One in each direction.

Q. And also from Kansas City to St. Louis?

A. One in each direction.

Q. One in each direction daily: Is that right.

A. Yes sir.

Q. Do I understand you to say that that is one section of the same freight train that runs to Chicago from Buffalo?

A. Eastbound that applies; westbound it does not.

Q. You may have a train number 96 for instance, which is really two trains: Is that right?

A. Yes sir. Any of the through trains may be two or more.

Q. A part of 96 runs from Kansas City to Buffalo: Is that right?

A. Yes sir.

Q. And another part of train number 96 hauled by another engine, runs from Kansas City to St. Louis: Is that right?

5811 A. Yes sir. Yet they are distinct and separate trains.

Q. But they both have the same number: Is that right?

A. Yes sir.

Q. And the train that runs from Kansas City to St. Louis is what you called yesterday a through State train, isn't it?

A. Yes sir.

Q. It carries through freight?

A. Yes sir.

Q. If you could, I wish you would state how many trains there are besides those six local Chicago and Kansas City trains, which you mentioned yesterday, in the State of Missouri, calling each section of a train one train: I think perhaps that would be more intelligible to all of us.

A. Including those?

Q. Leave those out. Leave out the six trains you mentioned yesterday, and how many other freight trains are there in the State?

A. Twenty-seven.

Q. Is any one of those 27 trains what you call a through State train, from St. Louis to Kansas City or Kansas City to St. Louis?

A. No sir.

Q. What I want to get at is, are they all the trains, not all the

different numbers. You say they are through freight trains from Kansas City to St. Louis and back again. Deal with them, if you please, as one train, although you may call it a section of another train?

A. Then add two to them and make it 29.

Q. That is all, is it?

5812 A. Yes sir.

Q. But that does not include the trains on the branch roads which carry both freight and passengers?

A. No sir.

Q. It includes everything but that?

A. Yes sir.

Q. So that it follows, does it, that there is one through State train from St. Louis to Kansas City and from Kansas City to St. Louis, every day: Is that it?

A. Yes sir.

The MASTER:

Q. Does it ever or often happen that the locals are also run in sections?

A. Very seldom.

Mr. LADD:

Q. Is there what you call a through freight train from Kansas City to Hannibal or back from Hannibal to Kansas City?

A. No sir. That is, not a through State train.

Q. Suppose you have a carload of freight from Kansas City to Hannibal, what kind of a train carries that?

A. That would go to Moberly on the local and then go into another train, Moberly to Hannibal, unless there was room in the through Buffalo train.

Q. If there was room in the through Buffalo train you would put it in there?

A. Yes sir, but that very seldom occurs.

Q. If there was not, you would send it on the local to Moberly, and then what kind of a train would it get into at Moberly?

5813 A. A train that runs through from Moberly to Hannibal.

Q. That you would call a through train: That is, a train that would not stop until it got to Hannibal: Is that right?

A. Yes sir.

Q. Suppose you had a carload of stuff going from Kansas City to Springfield, Illinois; Springfield is on your main line on the way from Kansas City to Detroit and Toledo, isn't it?

A. Yes sir. That would be handled in the same way the Hannibal car would be. Because there is no train designed to handle Kansas City-Springfield business particularly.

Q. Ordinarily, how would that carload of freight be handled?

A. It would go to Moberly, then to Hannibal, then to Springfield, unless there was room in the through Buffalo train.

Q. It would go on the local from Hannibal to Springfield?

A. Yes sir.

Q. Unless there was room in this through train to Buffalo?

A. Yes sir.

Q. You were to furnish, if you could, the number of ton miles of freight for the fiscal year ending June 30, 1906, the first and last half of it, for the Missouri part of the system?

A. For the six months ending December 31, 1905, 194,069,943 tons one mile.

Q. Let me ask you, Mr. Miller, is that for Missouri or for the lines west of the Mississippi River?

5814 A. That is for Missouri. They are prorated on the basis that was spoken of yesterday, deducting 200 miles.

Q. For Iowa, I understand?

A. Yes sir.

Q. And for the last half, what is it?

A. For the six months ending June 30, 1906, 249,844,582 tons one mile.

Q. Was that revenue freight, or does it include company freight?

A. It includes company freight.

Q. Can you give us the revenue freight separately?

A. In each case?

Q. Yes.

A. Yes sir. For the six months ending December 31, 1905, revenue tons one mile 184,735,179. Company tons one mile 9,334,-764. For the six months ending June 30, 1906, revenue tons one mile, 235,828,301. Company tons one mile 14,016,281.

Q. You were asked yesterday for the cost per revenue freight train mile on the different divisions of your system: Are you able to state that this morning?

A. We cannot give the revenue freight train mile cost.

Q. Can you give it for all freight?

A. For what period?

Q. For the year ending June 30, 1906, by months and accounting divisions?

A. We could not give that accurately. We do not keep that account, except for comparative purposes.

Q. That is what I want it for.

5815 Mr. MINNIS:

Q. What do you mean by "for comparative purposes"?

A. That is, we have an arbitrary way of getting at the cost for the purpose of comparing one division with the other, or for the purpose of comparing a division with itself month after month. In this Exhibit we have a note right at the head of it which says "In the division between freight and passenger expenses, both have been divided on the basis of train mileage". The result so obtained can be used only for comparative purposes, as they do not represent the actual cost of either branch of the service. I do not see what good those figures would do.

Q. Give us those results, whatever they show?

A. Beginning with July, 1905, and ending with June, 1906?

Q. Yes.

A. What you asked for yesterday was train mile cost for the

whole system for the year ending June, 1906. Do you want that first, or for the fiscal year?

Q. Did I ask for that?

A. Yes sir, that was the question yesterday.

Q. One question yesterday was the cost per ton mile for that period by months, by accounting divisions. If I asked for them, give me that, too. I had forgotten that.

A. The total for the system was 1.30.

Q. That is for the year?

A. Yes sir.

Mr. MINNIS:

Q. What is that?

A. The cost per freight train mile figured on this basis,
5816 which is not accurate.

I want to say in that connection that the freight train mile unit is not used. The ton mile is the unit. We pay no attention to the freight train mile cost. It goes up and down and we pay no attention to that.

Mr. LADD:

Q. You have made those calculations in your office in the ordinary course of your business, haven't you? You have them there on blue print sheets?

A. Yes sir. Do you want each accounting division of the whole system?

A. Yes.

A. Then you might as well take the whole sheet. I could not read them off in a whole day.

Q. Do not sub-divide it into months. Take it for the whole year?

A. We have not that. We have not summarized except the total which I gave you 1.30.

Q. But haven't you summarized it for accounting divisions?

A. No sir. At the end of the year the only summary that was made was this summary sheet (indicating on sheet).

The MASTER: Mr. Ladd, can't you take those blue prints which contain the information to which you are now directing inquiry, and by your expert make a calculation from them of such information as you want, and introduce that in evidence yourself, subject to be submitted to counsel on the other side?

Mr. LADD: I was just about to ask Mr. Miller to permit Mr. Taliaferro to look at the blue prints now. It may be that what
5817 we want is there and it has escaped Mr. Miller's immediate attention.

The MASTER: Just take them aside and we can refer to that matter again.

Mr. LADD: I do not care for it by months, although I asked for it by months, but for each accounting division, by the year.

The MASTER: If there is any very considerable amount of information which may be tabulated from those tables, the proper way to get at it would be in the manner suggested by me.

Mr. LADD: Here is the thing I have asked for right here (indicating blue print).

A. I told him we had that by the year.

Q. Will you please examine this sheet, Mr. Miller (Indicating small blue print)? How many accounting divisions have you?

A. Thirty-one.

Q. In what number is Missouri?

A. Numbers 20 to 31, inclusive.

Q. 20 to 31, then there are 12 accounting divisions in Missouri?

A. Yes sir.

Q. Does that include that part of the system which is in Iowa, also?

A. Yes sir.

Q. Are the divisions into which Missouri and Iowa are divided are the results ascertained in those divisions footed up to-
5818 gether, so we could see what it was for that part of the system lying west of the Mississippi River?

A. Yes sir.

Q. Give me that for that year.

Mr. MINNIS: What are you asking him for now?

Mr. LADD: I am asking him what was the freight train mileage cost for that part of the system lying west of the Mississippi River for the year ending June 30, 1906.

A. I have given that. You want it now by accounting divisions?

Q. I thought you said it was all bunched together. I don't want to have you use 31 accounting divisions.

A. $1.1265.

Q. Now, what was it for what you call the Springfield division?

A. $1.2433.

Q. Now, what part of your line is in the Springfield division?

A. Hannibal to Decatur, including the branches from the Bluffs to Keokuk; and Clayton to Quincy.

Q. What was it for the Decatur division?

A. $1.4369.

Q. What part of your system is included in the Decatur division?

A. East St. Louis to Chicago, the Streetor branch, the Effingham branch, the Champaign branch and the line Dement to Tilton.

5819 Q. Take the Peru division, how much was that?

A. $1.3526.

Q. What is included in that division?

A. The line Tilton to Montpelier, and Fort Wayne to Toledo, and Toledo to Montpelier, and the Covington branch.

Q. What was it in the Detroit division?

A. $1.1741.

Q. What is embraced in the Detroit division?

A. The Detroit division runs from Chicago to Detroit including the Strof branch.

Q. And in the Buffalo division?

A. The Buffalo division is $1.2153.

Q. What is embraced in the Buffalo division?
A. Detroit to Buffalo direct, and the branch from Welland via Niagara Falls to Buffalo.
Q. That is all, is it?
A. Yes sir, that is all.
Q. You have covered the entire system now?
A. Yes sir.
Q. That includes all kinds of freight, I understand, Mr. Miller, both revenue and company freight?
A. Yes sir.

Questions by Mr. KENNISH:

Q. Mr. Miller, in regard to the 27 trains that you spoke of as local trains, engaged in the freight business in the State of Missouri, I want to understand whether or not you referred to these trains as local trains in the sense that they did way freight business,
5820 in the way of picking up and delivering freight at each station?
A. All of those trains do the picking up of carload and setting out of carload business in the State. They do not all load and unload package freight at every station.
Q. Do they load or unload or pick up or drop out carload freight, except at freight divisions?
A. Yes sir, I have stated they did.
Q. At freight divisions?
A. Yes sir, and at stations in the State of Missouri.
Q. Each of the 27 local trains you referred to?
A. Yes sir.
Q. I understood when you gave the number of trains this morning you said there were six carrying freight between Kansas City and Chicago?
A. Buffalo, six trains, passing three trains each way daily, yes sir.
Q. And there was one train which you called a through train from St. Louis to Kansas City and from Kansas City to St. Louis, each day?
A. That is right.
Q. Outside of those trains you say all of the other trains engaged in the freight business in this State, whether State or interstate business, do what we call local business in the way of picking up and distributing freight, except all of them do not engage in the way freight business in this State?
A. That is right.
Q. You referred to other trains not included in this
5821 number, running on the branch roads: Those trains would be local trains also, would they?
A. Yes sir.
Q. They would be trains that would pick up and distribute freight in less than carload lots, even, at the stations along the branch lines on which they operate?
A. Yes sir.
Q. We have had a class of freight described by different witnesses

in this hearing, Mr. Miller, as what was called through State freight: And also interstate freight that passed over one or more freight divisions: What kind of a train would carry that class of freight?

Mr. MINNIS: I presume he is referring to testimony in the Burling- case, as there has been no such designation in this case.

Mr. KENNISH: It is simply to call his attention to what class of freight is referred to.

Mr. MINNIS: I would like to understand it myself. I did not hear that testimony.

Mr. KENNISH:

Q. There is a class of freight, carload freight, which passes over one or more freight divisions?

A. Yes sir.

Q. Now, what kind of a train would that freight be carried by?

A. That has been described as a through State train.

Q. But the only through freight trains you have referred to are the through freight trains operating between St. Louis and Kansas City?

5822 A. Those are all we have.

Q. So that freight on the Omaha division and going up in that direction would not be carried on the two through trains you have referred to as State trains?

A. Yes sir, it would.

Q. You say it would?

A. Yes sir.

Q. You spoke of Stanberry as a freight division: Suppose a car was destined from St. Louis to Stanberry, would it be carried on your two through State trains, either one of them?

A. Yes sir.

Q. To Stanberry?

A. Yes sir.

Q. Does your road from St. Louis to Kansas City go by way of Stanberry?

A. No sir, but that train is run in more than one section, as I stated. Practically all of the through trains run more or less in sections.

Q. And one section would divide at some point between here and Kansas City, and go up on the Omaha division, would it?

A. Yes sir.

Q. From Brunswick, probably, to Omaha?

A. Yes sir, from Brunswick.

Q. Then according to that division of the trains, practically all of the freight business in the State of Missouri, whether State or

5823 interstate, except that done by the through trains, three passing daily between Kansas City and Buffalo and Chicago, is done by the local trains?

A. Yes sir.

Q. Trains that stop at stations to deliver or receive carload freight?

A. Not necessarily.

Q. If there is any carload freight to be delivered at any station even between divisions, you say it is taken on one of these 27 "local trains," as you term them?

A. Yes sir. But they may not stop at each station.

Q. No, if they did not have a car there?

A. Certain of them do.

Q. But if there was a car to be received or left there, they would stop, you say?

A. Any of the 27 would stop and pick up or drop a car, and certain of them in addition handle package freight at every station.

Q. Then the increase of cost by reason of the train stopping between divisions, would apply to each of there 27 carrying both classes of freight, State and interstate, as well as to State freight?

A. Yes sir, in proportion to the value of the State freight.

Q. The increased cost by reason of stopping at these intermediate stations, would apply equally to interstate as to State freight?

A. According to volume, it would.

Q. How many of these trains would be engaged in hauling
5824 way freight, that is, freight in less than carload lots?

A. All but two.

Q. You say all of the 27 but two trains deliver and receive way freight along the stations?

A. Yes sir.

Q. Which two do you refer to that do not do that kind of business?

A. Train 65, Luther to Moberly, and train 64, Moberly to Luther.

Q. A very large part of the freight carried by these 27 trains, a great deal more than half of it must be interstate freight, must it not, Mr. Miller?

A. I think not.

Q. The only freight carried except that carried by these 27 trains and the branch trains, which you say are all local trains, would be the freight carried by the two through State trains, and the six trains referred to as plying between Kansas City, Chicago and Buffalo?

A. Most of this business comes from the large trade centers. For instance, St. Louis supplies the territory around it, through the medium of these trains. Kansas City does the same thing.

Q. And Chicago?

A. There is very little interstate business. You cannot ship hardware through the Simmons Hardware Company from St. Louis to Missouri. You cannot ship dry goods to any great extent through these great Chicago centers into Missouri. So those towns serve a certain amount of territory around it through these trains.

5825 Q. I understood you to say yesterday that you thought about 75 per cent of the freight business done in the State of Missouri would be interstate freight business and 25 per cent State freight business: What per cent of that 75 per cent of interstate business would you estimate was done by these six trains referred to as running between Kansas City, Buffalo and Chicago?

A. I could only guess at that.

Q. Make an estimate if you can?

A. I could not give that. I would not hazard a guess on that.
Q. You say they run loaded, these trains? Didn't you make an estimate of the tonnage carried by each?
A. I can estimate the tonnage of the through trains?
Q. And make a comparison between that and the tonnage of the entire interstate business done in the State?
A. I could not do that.
Q. You could not give an opinion on that?
A. No sir.
Q. If I understood you yesterday, Mr. Miller, you stated that the increase in the cost of doing State business in carload lots, that was carried over one freight division or more, would be by reason of the fact that the terminals in the case of State business were closer together than the terminals in the case of interstate business: Is that correct?
A. Yes sir.

5826 Q. Suppose, then, that a carload of freight was shipped a distance of, say, 50 miles, as interstate freight; and a carload of the same kind of freight and the same weight, was shipped on a similar train a longer distance than 50 miles, as State freight; then the cost per mile of the State shipment would be less than the cost per mile of the interstate shipment, wouldn't it?

A. I do not see how.
Q. Because the terminals in the case of the State shipment would be farther apart: Would not that be a reason?
A. No sir. You have that just wrong. The interstate car would be received at St. Louis and put into a train——
Q. I do not care whether it would go through St. Louis or not. You said that every shipment of freight has two terminals, didn't you?
A. Yes sir.
Q. That is true?
A. Yes sir.
Q. All freight shipped over your road has two terminals?
A. Yes sir.
Q. And in the case of freight terminating or originating in Missouri, at least one terminal would be in this State?
A. Yes sir, but I was trying to answer your question there.
Q. Now, you were speaking of St. Louis?
A. And making it an example.

5827 Q. There is a great deal of interstate freight that does not pass through St. Louis. Suppose, for instance, on your Omaha division about 20 miles in Iowa north of the Missouri State line a carload of freight is shipped say 75 miles, 50 of it being in Missouri and 25 in Iowa. Now, suppose the same kind of a shipment, that is, a carload of the same kind of freight and of the same weight, is taken up by that same train from a station in Missouri and shipped a distance of 100 miles, would the cost per mile be greater to the company in the case of the interstate shipment than in the case of the State shipment?

A. Very little difference, in the way you put the question.

Q. I understood you to say that the nearness of the terminals to each other is what increases the cost per ton per mile, and the terminals would certainly be nearer together in the interstate shipment referred to than in the State shipment?

A. There is no question but what the terminal cost increases the cost of handling freight.

Q. Will you answer the question then in the instance I have named?

A. I tried to answer your question and you stopped me.

The MASTER: Go ahead and say what you were about to say when you were interrupted.

A. As I understood the question, you asked whether an interstate car moving 50 miles would cost any more than a State car moving 50 miles?

Mr. LADD:

Q. Yes?

A. To a road in this State? I attempted to describe that the interstate car would be delivered at St. Louis, or at another ter-
5828 minal if you prefer it, and it would be put in a train and sent to its destination. The handling of that car is simply to receive it and put it in the train. Now, if that car was loaded at St. Louis, uou would have to place the empty on the industry's track, and leave it there two or three days while it was being loaded, and then take it again and go through the whole performance of weighting and hauling it up to the train yard, and putting it in the train. Obviously, therefore, terminal expense on the State load is heavier than on the interstate.

Q. Yes, in that instance. But the question I asked was, leaving out of consideration such additional cost as you say would accrue in St. Louis terminals here: Say the terminal costs were exactly the same in the interstate shipments and the State shipments. There is no reason why they should not be, if the terminals were of the same character, is there?

A. But they actually are just as I cited. An interstate car moves right straight through, while a State shipment has to be placed, and rehandled, all of which costs money. Everybody that is connected with it is paid a salary, or some compensation for his services.

Q. I understand that, but what I wanted you to explain was, whether or not it was the nearness of the terminals, as you stated yesterday, that increased the cost of a State carload of freight over an interstate carload of freight, the State freight being a shorter haul as a rule than the interstate freight?

A. It is, as a rule, a shorter haul, and that naturally brings the two terminals nearer together.

5829 Q. And that is why you say the terminal costs are higher on the State traffic than on the interstate traffic?

A. As a rule. There might be particular instances, such as you have cited, where the cost would be nearly, or quite equal.

Q. If the interstate shipment was of the same class of freight, exactly, and was shipped a shorter distance than the State shipment, of

the same character, the cost per mile to the company would be higher on the interstate shipment than on the State shipment, because the terminals were closer together?

A. In that particular case, yes; but generally, no. As we handle interstate business and as we handle State business.

Q. It is well recognized that the interstate freight is shipped a greater distance than the State?

A. And that is the basis of my statement that it costs more to handle the State business.

Q. Because in the class of freight I have referred to, the State shipments are a shorter haul than the interstate shipments?

A. Yes sir.

Q. What did you include in terminal costs, when you referred to that kind of cost in connection with the shipment of freight?

A. No details were given.

Q. Will you give them now? You referred to the terminal cost, and you must have had some kind of cost in your own mind when you referred to that.

5830 A. I do not remember now what the question was.

Q. You were speaking of the terminal costs as increasing the cost of doing the State business, because the terminals were closer together; Now, what costs did you refer to as terminals costs in such cases?

A. The cost of handling freight at the terminal.

Q. Switching and such as that?

A. If package freight, warehouse cost.

Q. That would apply to less than carload lots only?

A. Yes sir. And that also have to be switched.

Q. What is that?

A. The less than carload business has also to be switched in addition to being handled at the warehouse.

Q. You did not include any of the items of capital invested in terminals, in estimating terminal cost?

A. No sir, we did not include that in our operating expenses.

Q. You gave it as your opinion that the terminal cost would be about 50 cents per ton for each terminal?

A. Yes sir.

Q. And in that estimate you considered only the cost of handling and not any of the cost that might be assigned to terminals by reason of the capital invested in them?

A. The whole labor cost.

Q. Just the labor cost?

A. In computing terminal cost we do not include any of the capital charges.

Q. You referred to the item of shipment of live stock, and the expenses made necessary to the company in handling live stock,

5831 as an illustration of the increased cost of doing State as compared with interstate business: I understood you to refer to Kansas City, Omaha, Des Moines, Ottumwa, St. Louis and East St. Louis as the markets to which live stock was shipped over your line in Missouri?

A. Yes sir, that is right.

Q. All of the shipments to Omaha and to Ottumwa, of course, would be interstate traffic, wouldn't they?

A. Yes sir.

Q. And a great deal of livestock business is done over your line in the shipment of stock from the Omaha cattle market into Missouri, is there not?

A. That depends on what you would call a great deal. We do not call it a great deal.

Q. Is there any that you know of?

A. There is some.

Q. Feeders from Omaha down into Atchison, Noddaway Counties, and those livestock sections of the State?

A. There is some.

Q. All of the freight shipped in either direction to either of these two markets would be interstate freight: Is that correct?

A. Yes sir.

Q. You said you did not consider East St. Louis shipments interstate shipments: Suppose now they are? Then all of the livestock shipped over your line to the East St. Louis market would also be interstate traffic, assuming that is interstate traffic: That is right, isn't it?

5832 A. Yes sir.

Q. And I understood you to say that by far the larger part of the stock that came to the St. Louis market went to East St. Louis and very little of it to St. Louis, Missouri, comparatively?

A. Quite a lot comes to St. Louis, but more goes to East St. Louis than to St. Louis. But there is a heavy stock business to St. Louis.

Q. But the greater part of it goes to East St. Louis, I understood you to say yesterday?

A. I should say more went to East St. Louis than stops in St. Louis.

Q. And you said, I believe, that dividing the territory at Moberly, most of the stock from Moberly to St. Louis would come to this market from stations along that part of your line?

A. Yes sir.

Q. Then all of the expense you would be at for that class of freight would be made necessary because of interstate traffic, wouldn't it?

A. Well, technically that is interstate traffic.

Q. To East St. Louis?

A. Yes sir, but not in the sense I have been describing interstate business.

Q. Suppose Kansas City would be considered interstate, also?

A. That is exactly the same way. Because the delivery for livestock happens to be just over the State line, technically it

5833 would be classed as interstate business; but not in the way I have been describing here State business.

Q. You don't do any livestock business at the St. Joe livestock market over your line?

A. Not frequently.

Q. Practically all the livestock business done over your line, except that part done in St. Louis, Missouri, would be interstate business, and instead of that being a reason for increasing the cost of State business as compared with interstate, it would be the very reverse, wouldn't it?

Objected to as having too many questions involved in one.

The MASTER: The witness is a very intelligent one and I think he can fully comprehend it.

Mr. MINNIS: I do not mean to reflect on the witness at all, but I do not understand it is conceded in this case that livestock shipments to and from Kansas City are interstate shipments. The question assumes that.

Mr. KENNISH: The witness has just stated that technically it was. Was I wrong in making the assumption when he had just stated it?

The MASTER: I think the examination is very fair.

Mr. MINNIS: What the witness stated was that because delivery was made just over the State line, technically it would be interstate business.

Previous question read.

A. I do not consider livestock hauled to Kansas City or live-
5834 stock hauled to East St. Louis, or East St. Louis or Kansas City delivery which take the St. Louis rate, is interstate business.

Q. The question was asked, assuming that such freight was interstate freight, assuming it to be such, then would not the reasons you gave yesterday in referring to livestock as one instance showing the greatly increased cost of State traffic as compared with interstate traffic, show the very reverse?

A. Yes sir, but that was one of the things that was mentioned.

Q. I understood you to say that the company was put to a great deal of expense in the construction of stock yards and chutes for loading and unloading, and water facilities for stock and stations, and you also said that frequently the trains that would be stopped at the stations to take this livestock to market, would have to wait for the shipper to come in with the stock?

A. Yes sir.

Q. And then they would have to wait until they loaded the stock, and that necessitated a delay to the train, and a great increase in the cost of the shipment?

A. Yes sir.

Q. You were assuming in giving that reason, that all that business was State business, weren't you?

A. Yes sir, and that we got the State rate for handling it.

Q. The State rate would have nothing to do with the question I am asking you now.

5835 A. Yes sir, we are talking about the cost of handling freight in the State of Missouri.

Q. But if that freight is interstate freight, then the matter of the increased cost in handling it, that you refer to, would be attributable to interstate freight and not to State freight, wouldn't it?

A. Yes sir.

Q. And your estimate of the increased cost of doing local traffic, way freight business, you were making the assumption that most, if not all, of the local freight was State business and none of it was interstate business, weren't you?

A. Oh, no. I did not say none of it was interstate business.

Q. You were assuming that by far the larger part of it was State traffic?

A. Yes sir.

Q. Now, assuming there would be as much of the way freight interstate as State freight, then the great increase of the expense incident to the handling of way freight at the Stations of everything less than carload lots would be caused by the interstate traffic as well as by the State traffic?

A. Yes sir, if your assumption is correct, but it is not.

Q. You stated you did not know yesterday, when you were asked.

A. I said I did know.

Q. You were asked yesterday to give an opinion as to the relative amounts of interstate less than carload freight as compared
5836 with State less than carload freight, and I understood you to say you could not do it?

A. I said I could not give the exact amount, but that the freight handled on these trains was very largely State freight. That is my recollection of the answer I gave.

Q. Although you say that all of your trains, including the 27 locals and all the branch trains, in fact, all the trains that operate on your system in Missouri, except the six through trains from Kansas City by Buffalo and Chicago, and two trains between Kansas City and St. Louis, all do what we call local freight business?

A. They are run for that purpose.

Q. Assuming that at least half of the less than carload freight is interstate traffic, you say that the interstate traffic would be chargeable with the increase of cost that you referred to yesterday, in the way of delivering and receiving freight at the way stations, would be assignable to the interstate equally with the State traffic?

A. Yes sir, if things were equal there would not be any difference.

Q. You referred for instance to the elevator tracks: That would be made necessary for the unloading and loading of grain: Now, if grain shipped from that elevator was an interstate shipment that cost would be as much assignable to interstate traffic as to State traffic?

A. Yes sir, but the purpose of the elevator is for the State business——

Q. Mr. Miller——

5837 A. This railroad was built before it had any interstate business and these things grew up and were used for the purpose of the local business in the State. Now, incidentally they do handle interstate business.

The MASTER: Mr. Kennish, I do not like to interrupt, but this matter was all gone over by Mr. Ladd pretty thoroughly yesterday, wasn't it?

Mr. KENNISH: I thought these particular ones were not, but I will not carry the examination any further on it.

The MASTER: Let us go over one ground only one time, so as to get along as fast as possible.

Mr. LADD: There is one question I asked Mr. Miller yesterday that he was not able to answer at the time. It was with reference to five boxes of clothing from Cincinnati to Carrollton, and you said that would be brought from Cincinnati by the Baltimore and Ohio Southwestern to East St. Louis, and then brought to — St. Louis on a dray and delivered to your company somewhere: Is that correct?

A. Yes sir.

Q. Then I asked you who paid the expense of that transfer your company or the Baltimore and Ohio Southwestern, and you were not able to answer yesterday. Do you know now?

A. Yes sir.

Q. Which company?

A. The Wabash Company.

5838 The MASTER: Counsel desired that we suspend the re-examination of this witness until another witness has been examined: Is there any objection to that?

Mr. LADD: No sir.

At this point the witness Henry Miller is temporarily withdrawn from the stand and the witness S. W. Fordyce is here examined.

5839 S. W. FORDYCE, a witness of lawful age, being duly produced, sworn, and examined on the part of the complainant, testified as follows:

Direct examination.

By Mr. J. L. MINNIS:

Q. What is your name?

A. S. W. Fordyce.

Q. Where do you live?

A. St. Louis.

Q. How long have you lived in St. Louis?

A. 22 years.

Q. What is your business?

A. I have been engaged in operating railroads and financing and helping to finance railroad companies.

Q. For how many years?

A. I have been engaged at that off and on since 1858. That would make about 48 years. Not continuously, but at different times. But I might say continuously since 1880.

Q. In the financing of railroads, which you say has been a part of your business, I will ask you if that involves a knowledge of the value of railroad property?

A. I think so.

Q. Are you familiar with the Wabash lines of railway in the State of Missouri?

A. Well, to a certain extent I am. I have traveled over the lines a good deal and I know a great deal about the Wabash troubles. I was a witness in a receivership case whe- the road was in the
5840 hands of a receiver, and I have paid very considerable attention to Wabash matters, and I know something of its early history, trials and tribulations.

Q. And its development?

A. Yes sir, its development.

Q. Have you an opinion with respect to the value, say the average value per mile of the Wabash property in Missouri?

A. Yes sir. I have, I might say, several opinions. In my judgment the value of the property depends entirely upon its earning capacity. What we call its net earning capacity, as near as I can judge. That is contingent that the property can be managed by its own officers. I should place that somewhere from 30 to 40 thousand dollars per mile. But if it is to be managed by the Interstate Commerce Commission, under the present law, and by the State Commission, I would not want to invest in its securities, at—well, hardly at all. That would be my judgment. It is all conditioned upon its being permitted to operate in a way that the officers think is best for the property, and the country served by the road.

It strikes me the situation is about this: You take the house of Barr & Company: They have a great many things to sell: If somebody has authority to go into that establishment and fix the prices on the goods, at which they are to sell them, Barr & Company would not remain in business very long.

Q. Assuming that the property will be operated in an ordi-
5841 nary way, and in a reasonable way, considering the interests of the owners and the interests of the public, what would be your judgment of its value?

A. Not to exceed $40,000 per mile.

There is no cross examination of this witness.

The MASTER:

Q. Do you include in that valuation of that $40,000 a mile merely the road bed and bridges, or do you also include the equipment, such as cars and the like?

A. I would include, as I started out to say, Judge, it is all based upon the earning capacity of the road.

Q. I understood that fully.

A. And to earn money it must have equipment.

Q. Do you or don't you include the equipment in this estimate of $40,000 per mile?

A. I should say I did. That would be my idea, based of course on the earning capacity.

Q. And taking into consideration the relative proportion of the road that is the end of Missouri, with the entire system?

A. Yes sir.

Q. And apportioning to Missouri its relative share?
A. Yes sir.

5842 Redirect examination of Mr. HENRY MILLER, continued as follows, by Mr. MINNIS:

Q. Mr. Miller, You have spoken of what you have termed through trains and also what you have termed State through trains, and State local or way trains, which handle freight: Is freight handled by the company in any other trains that those you have mentioned and those which appear on the schedules?
A. Yes sir. There may be extra trains other than those scheduled, and freight is also handled by the branch trains, that were not enumerated in my answer.
Q. Those are local or way freight trains?
A. Yes sir.
Q. Is it true that the company sometimes receives at Buffalo a solid freight train, destined to a point beyond Missouri, which they handle by merely putting an engine to the train and carrying it forward until it reaches Kansas City?
A. Yes sir.
Q. Is it true that similar trains are handled from Kansas City, destined to points beyond Buffalo or the east?
A. Yes sir.
Q. The only handling of those trains is merely the crews the engine, the coal and the running over the track involved, between Buffalo and Kansas City, isn't it?
A. As a rule.
Q. Those trains handle interstate business exclusively, that character of service, don't they?
A. As a rule.

5843 Q. You have mentioned various shipments, State and interstate: I understand that in arriving at your opinion that you recognize that in some instances State freight and interstate freight may be handled at comparatively the same expense, but that you take into consideration all of the interstate freight handled and all of the State freight handled, and in that way arrive at the opinion that the cost of the State freight is about two or three times the cost of the interstate freight?
A. That is right.
Q. Is that the process employed in reaching the opinion you have expressed?
A. Yes.

Mr. LADD: He has not stated that, as I understand him.
Mr. MINNIS: I asked him if that is the method used.
The MASTER: He has stated it now.
The WITNESS: I stated that yesterday.
Mr. LADD: Mr. Miller stated yesterday that the cost of handling the State business, in his judgment, was two or three times the cost of handling the business which ran on the through trains from Kansas City to Chicago and Buffalo.
Mr. MINNIS: Mr. Ladd may have dropped in a question, as he

does frequently, to which the witness may have said, yes, which would justify his statement. But as I understand the witness
5844 he has made two divisions of the business in his own mind, the one interstate and the other State, and that his opinion is based upon the comparative expense of handling those two subdivisions of the business. That has been my understanding of his testimony.

Q. What about that, Mr. Miller?

A. That is correct.

Q. I am correct about it?

A. Yes sir.

Q. So your opinion is, that, dividing the two classes of freight, interstate and State freight, the cost of handling the State freight, when everything is considered, is two or three times the cost of handling the interstate freight?

A. That is correct.

The MASTER:

Q. Per mile, as I understood you?

A. Per ton mile, but not per train mile.

Mr. MINNIS:

Q. I will ask you if in forming that opinion you considered the business that might come within the illustration indicated by Mr. Ladd's questions?

A. Stock business that went to Kansas City?

Q. No, he gave a variety of illustrations, as to how freight would be handled, or had you give the illustrations. For instance, he said, suppose a car was shipped from Cincinnati to a point in Missouri, St. Charles, for instance,—and he gave various illustrations of how business might be handled. A shipment of a box of soap from Chicago to different points: You recall those illustrations he used?

5845 A. Yes sir.

Q. I will ask you if in arriving at your judgment you considered those instances of business handled in that way?

A. Yes, my conclusion was reached taking into account the whole business as it is handled on the railroad, and has been for years.

Q. One of the questions asked you I believe was with respect to a carload of shoes from Cincinnati: That I assume was simply an illustration. But do you ever get any such freight from Cincinnati, as a matter of fact?

A. I think not.

Mr. LADD: I don't suppose it makes any difference if it was clothing instead of shoes. I believe Cincinnati is quite a large clothing center.

Mr. MINNIS:

Q. St. Louis is quite a business center, isn't it, Mr. Miller?

A. Yes sir.

Q. Manufacturing a great many shoes here?

A. Yes sir.
Q. And manufacturing clothing?
A. Yes sir.
Q. And it is a great business center?
A. Yes sir.
Q. You have said that these freight trains carried the goods of this city and distributed them out to their customers in their territory: Now, what goods would be handled by these trains, that came from east of the river? Would it be goods similar to these pro-
5846 duced here, or would it be goods the like of which are not produced in St. Louis?
A. Goods that are not produced in St. Louis might be shipped from points east.
Q. Your idea is that St. Louis supplies a very large part of the demand for all classes of commodities that are used by the people, we will say between St. Louis and Moberly, on the Wabash Railroad?
A. Yes sir.
Q. A very large per cent goes from St. Louis?
A. Yes sir.
Q. If the same character of goods were shipped from Cincinnati, the freight would have to be added to their cost, between St. Louis and Cincinnati, wouldn't it?
A. Cincinnati could not do business in Missouri.
Q. It is not competitive with St. Louis in the territory tributary to St. Louis, and it is for that reason you say the freight trains handle almost exclusively local business, the freight trains you have spoken of?

—. ——.

The MASTER: You spoke yesterday something to the effect that as a general rule commodities or products of the State sought their nearest market: Now, is the converse of that rule equally true, that the commodities that are brought in to the different localities for sale are brought from the nearest available markets where those commodities are produced, as a rule?
5847 A. I think it is. That is what built up the great Simmons Hardware Company, and St. Louis is one of the biggest dry goods centers anywhere, their sales this year show that. They are right up to some of the largest jobbing centers. Nobody can ship dry goods or hardware or beer to St. Louis.
Q. Or cement to Hannibal?
A. Or cement. That is what built up those great institutions; it is territory around here that trades with St. Louis. Take for instance Butler Brothers, I understand their sales this year—although this is a branch house—will exceed the Chicago house where they originated. Why? Because of this territory. And this point is a distributing center.

Mr. MINNIS:

Q. What class of business requires the running of these State trains you have mentioned?
A. The State business.

Q. State business requires it?

A. Yes sir.

Q. So that the circumstance that you might carry a few boxes of soap on one of these trains, would not be a very important factor, would it?

A. There would not be very many of those trains on that schedule (indicating) to handle interstate business locally for Missouri.

Q. The business would be handled differently if it were not for the local business?

A. Yes sir.

Q. You spoke of a through freight service between Buffalo
5848 and Kansas City and between Chicago and Kansas City: what kind of service have you between St. Louis and Des Moines, St. Louis and Omaha, or between Omaha and other points, and between Des Moines and other points?

A. Practically the same as we have out of St. Louis. We have through service between St. Louis and Omaha, St. Louis and Des Moines. That is, trains designed to carry a large volume of business through, without the delay that would be incident to handling that same freight on purely local distributing trains.

Q. You spoke of the fact that the local trains usually have light loads, as one factor in arriving at your opinion?

A. Yes sir.

Q. Has it been your experience that the local trains do as a rule have light loads?

A. Yes sir.

Q. What about the trains on the branch lines? What kind of loads do they carry?

A. The branch trains take whatever there is to go. Sometimes there is freight and sometimes there is not.

Q. The expense of running those trains daily sustains no relation at all to the business. They would be run regardless of the business that is obtained, wouldn't they?

A. That is right.

Q. What is the increased element of cost per ton mile for handling business on a train lightly loaded and one heavily loaded?

Mr. KENNISH: I submit the witness was over all that
5849 ground in his examination in chief.

The MASTER: Yes. Do not repeat, Mr. Minnis.

Mr. MINNIS: I have a note on my memorandum to ask him that question.

The MASTER: I think he explained that fully on the examination in chief and on cross-examination.

Mr. MINNIS: If your Honor will indicate what the element was: I do not remember that he answered that.

The MASTER: Let the witness answer the question.

A. The ton mile cost calculated by dividing the tonnage into the expenses. If the train has only 100 tons, which would be a large estimate for local trains, dividing 100 tons into the cost of operating would naturally bring a higher cost figure than if 300 tons were used

as the divisor. The estimate that was made yesterday, 100 tons would be a fair average for the way freight trains, and 300 tons would be a fair average for the others, in Missouri.

Q. I have not quite caught why it costs more per ton on a light train. Because you use more coal?

A. For instance, a car that is going from St. Louis to Kansas City: There are four local freight divisions between St. Louis and Kansas City and it would take a car four days to make the movement in those local trains. A through train would go in a night, or in a day.

Q. You gave this morning some figures concerning the cost of handling business per train mile: I will ask you how you
5850 arrived at the cost of doing business per train mile, Mr. Miller.

A. Cost per train mile is computed by dividing the cost of various classes of service by the revenue freight train miles. Included in that is the mileage of mixed trains, which is arbitrarily divided between freight and passenger on the basis of three-fourths and one-fourth, respectively, in accordance with the rule of the Interstate Commerce Commission.

Q. What I asked you is, how have you arrived at the cost per ton mile?

A. Just as I explained there. We do not use the train mile unit in our comparisons, because it does not represent the modern unit, either in comparing or in our statistics. For instance, in this comparison that is made here (indicating blue print) the train mile cost is one thing. It may show that on a division or on a railroad, the train mile cost is comparatively low. The ton mile cost, which is the method used generally, and the one recognized by the Interstate Commerce Commission, may be a very different figure. It happened so here. While the train mile cost on the Moberly Division is apparently lower than on any other division, the ton mile cost is higher.

I will give an instance, if you wish: The train mile cost for the year ending June 30, 1906, for the Moberly division was $1.1235, while for the whole system it was $1.30, considerably higher. The ton mile cost for the Moberly division for the same period
5851 was .4778 cents, while the ton mile cost for the whole system was but .3361 cents. That statement (indicating blue print) shows that it actually costs more to do business on the Moberly division than it does anywhere else on the Wabash Railroad.

Q. I will ask you (if you have explained it I don't understand it), how you arrive at the train mile cost: not what is shown there (indicating blue print), but how you get at the figures making up the train mile cost?

A. You take the various classes of service, through trains, local trains, branch trains, all are put into the same *put* and divided arbitrarily, and the result is train mile cost.

Q. Divided by what?

A. By the mileage.

Q. You take the tonnage hauled on all the trains, do you?

A. Yes sir.

Q. And put that into a pot: You take the tonnage hauled by all classes of trains?

A. Yes sir.

And you take the mileage of those trains, the miles they have traveled, and then you divide that into this sum that you get this total tonnage: Is that the way you get at it?

A. Yes sir.

Q. Does the fact that trains are loaded heavily or lightly have anything to do with the result in making that computation?

5852 A. Train mile or per ton mile?

Q. Train mile?

A. No sir.

Q. Why is it that this statement (indicating blue print) shows that it costs more in the Moberly division, for instance, per train mile, than for the system?

A. It costs less.

Q. Yes, I should say less, for the train mile than for the system; but it shows that it costs much more per ton mile for the Moberly division than for the system, during the same period: Why is that?

A. I cannot answer that off-hand. But I think for that reason that the freight train mile as a unit was abandoned and the ton mile unit used instead, as representing more nearly the accurate results.

Q. What is a ton mile?

A. It is the movement of a ton of freight one mile.

Q. And how do you get at the cost per ton mile?

A. By computing the mileage over which the tonnage is handled and finally dividing the total tonnage carried one mile into the total expenses. The cost of conducting transportation, and those things that appear in that sheet, under the head of "Operating expenses", were reached by dividing the tonnage of the trains into the cost, and there is the result.

Q. As I understand you, at one time the method employed was the cost per ton per train mile. Is that true?

A. Yes sir.

5853 Q. Did I understand you to say that that method has now been abandoned?

A. Most of the roads have up-to-date operating statistics such as those are (indicating) but pay no attention whatever to the train mile. That was the unit formerly used on the Wabash, and we abandoned it because it did not reflect the actual operations of the railroad and the cost. And it did not show by accounting divisions each train run: an accounting division is practically a train run. So that these results show the cost of operating each train by itself, even on the branches. The plan is to find out where the leaks are, locate them, and plug them.

Q. Is it generally conceded by railroad people that the train mile cost does not correctly indicate the cost of handling freight business?

A. Yes sir.

Q. And what method has been abandoned by railroad people?
A. As a unit.
Q. As a unit?
A. Not entirely. We include it because that form of statistics show it, but do not use it in any way.
Q. You place it in here as showing the results by the application of different methods?
A. Yes sir, different methods.
Q. Referring to this blue print which shows that the tons per train mile carried in the Buffalo division were 436.32 tons per train per mile: That is correct, isn't it?
The blue print also shows that the cost per train mile was $1.21. Now taking the Moberly division, 234 tons only were carried, 5854 and the cost per train mile was $1.12. Those figures indicate that the number of tons carried by each train has something to do with the cost per train mile, don't they?
A. Not much. Look at the ton mile cost of those two divisions.
Q. I will ask you to look at that and give the ton mile cost of the different divisions, Mr. Miller.

The MASTER: As compared with the train mile cost.
Mr. MINNIS: Yes, it would be well to compare the two.

A. For the year ending June 30, 1900, the Buffalo division averaged 436.32 tons per train mile; cost per train mile was $1.2153. The cost per ton mile was .2785 cents.
The Detroit division averaged 429.14 tons. The train mile cost was $1.4741; the ton mile cost .3357 cents.
The Peru division averaged tons per train per mile $485.66. Cost per train per mile $1.3526. The cost per hundred tons per mile 3768 cents.
Decatur division tons per train per mile, 487.77. Cost per train mile $1.4369. Cost per hundred tons one mile .2936 cents.
Springfield division tons per train per mile 293.73. Cost per train mile $1.2433. Cost per hundred tons one mile .4156 cents.
Moberly division tons per train per mile 234.50. Cost per train mile 1.1265. Cost per hundred tons one mile .4778.
For the whole line during the same period, tons per train 5855 per mile 385.28. Cost per train mile $1.3009. Cost per hundred tons one mile .3361.
Q. You have said that the cost per train mile is the method which has been abandoned. What method has taken its place?
A. The cost per hundred tons one mile.
Q. Has that method been accepted generally by the railroads?
A. Yes sir.
Q. State whether or not in your judgment it is a method which gives a fairly accurate result.
A. For comparative purposes it is the best there is, at present.
Q. You have read the headline on this form, haven't you, and this blue print concerning which you have testified?
A. Yes sir.
Q. You say that these figures were compiled for comparative

purposes and that certain arbitrary divisions were made in arriving at the figures from which the computations were made?

A. Yes sir.

Q. Were the same arbitrary divisions made in each division of the system?

A. Yes sir.

Q. So that the figures for comparative purposes compare one division with another or one period with a different period and are reliable?

A. Yes sir.

5856 Q. But you say the figures are not absolutely accurate.

A. They do not represent the actual cost.

Q. They do not represent the actual cost?

A. No sir.

The usual hour for recess having arrived, recess is here taken until two o'clock P. M.

After recess the following proceedings were had:

Mr. MINNIS:

Q. Mr. Miller, if I understand you, in arriving at the cost of freight per train mile you add together the entire number of miles that are covered by freight trains during a given period and you divide that aggregate into the aggregate cost for the same period, and that gives you the cost per mile: Is that correct?

A. That is the way the train mile is reached.

Q. In order to get the average tonnage of trains, you take the total tonnage of all trains and divide that by the number of trains that carried that tonnage, don't you?

A. Yes sir.

Q. According to this method the train mile cost will be less where the average train tonnage is less, than it would be where the average train tonnage was greater, wouldn't it?

A. Yes sir.

Q. That is necessarily so because it does cost some more to carry a heavy load than a light load, doesn't it?

A. Yes sir.

5857 The MASTER:

Q. That system then would be in the direction of putting a premium on light trains?

A. Yes sir, that is the reason it was discontinued as a unit of determining the cost of transportation and handling freight. The best showing could be made by running the trains light, on a train mile basis. But that is not true on the ton mile basis. You get down to "brass tacks" on ton mile.

Q. You get down to the actual conditions, on the ton mile?

A. Yes sir.

Q. But on the train miles you merely arrive at the cost of running the trains per mile, without regard to the tonnage carried?

A. Yes sir.

Q. Of course, tonnage figures in that when you use it, as you

have here, by indicating the cost per ton mile of the average tonnage of trains?

A. Yes sir.

Q. Where is the Detroit division, Mr. Miller?

A. The Detroit division extends from Chicago to Detroit.

Q. How many miles?

A. 303 miles.

Q. This blue print shows that the tons per train mile carried on the Detroit division were 439.14, and that the cost per train mile in dollars and cents was $1.4741?

A. Yes.

Q. The blue print also shows that the average tons per train mile for the Moberly division were 234.50, and that the cost per train mile was $.1265: Explain to the Master why the tonnage
5858 was greater per train per mile in the Detroit division than in the Moberly division?

A. First because the grade was heavier on the Moberly division. Second, because the most of the business handled on the Detroit division is through business, which enables a heavier train movement than where most of the business is local or handled in local freight trains.

Q. You say average tonnage per train is less on the Moberly division because of the greater grade on the Moberly division and because of the greater amount of local business: Is that your statement?

A. Yes sir.

Mr. LADD:

Q. Do these figures include the average amount which the trains on that division haul? I want to understand whether that is the average tonnage of the trains on that division?

A. Yes sir.

Mr. LADD: What are the figures, Mr. Minnis:

Mr. MINNIS: On the Detroit division 438 and on the Moberly division 234.

A. That is illustrated best with the statement that between Chicago and Detroit there are but four local trains necessary to handle the business. Between St. Louis and Kansas City, about the same distance, there are today eight local trains. These local trains run light and they cut down the average very materially. That is, the average ton per train mile.

Mr. MINNIS:

Q. That is the reason for the difference, is it, the reasons you have mentioned?

5859 A. Yes sir. That is also the difference in the ton mile cost between the Detroit division and the Moberly division.

Q. These figures show, don't they, that the cost on the Detroit division for handling trains which carry 439 tons, is $1.47, while trains over the Moberly division, which carry only 234 tons, cost $1.12?

A. Per ton mile. But, on the other hand, the ton mile cost of the Detroit division is .3357 cents against .4778 cents on the Moberly division, for that reason.

Q. Now, Mr. Miller, you have said that the ton mile method is the proper one: Explain to the court why it was that it cost only 33.57 cents per hundred tons one mile on the Detroit division and cost 47.78 cents to carry one hundred tons one mile on the Moberly division?

The MASTER: That looks to me like a repetition. He says the same reasons for lowering the one applies to raising the other. The same elements enter into the problem.

A. The fact that there are more State trains here and less there, produces that result.

Mr. MINNIS:

Q. Because there is more local business here on the Moberly division, than there is on the Detroit division?

A. Yes sir.

Q. On what division of the Wabash system is the local business the least?

A. On the Buffalo division. There is only one town between Detroit and Buffalo, which is about the same distance
5860 as the line between here and Kansas City, and that is St. Thomas; and there you will see this result again, as showing the lowest cost per ton mile on any division of the Wabash road. For the year ending June 30, 1906, the cost on the Buffalo division was approximately 27 cents, as against 47 cents on the Moberly division.

The MASTER:

Q. Per hundred tons?

A. Yes sir, per hundred tons one mile.

Mr. MINNIS:

Q. To explain a little more about the Buffalo division: You say there is just one station at which trains stop to deliver or take on business, between Detroit and Buffalo?

A. There are other stations, but only one town that might be classed as a city.

Q. To what extent does the company do local business on the Buffalo division?

A. It has the same right.

Q. But I mean, how much business does it do, comparatively?

A. The local business as compared with what?

Q. With the Moberly division in Missouri, for instance?

A. There is very little in comparison. For instance, it requires no distinctly local trains. Trains that do the local business there are also mixed trains and carry passengers; they have coaches attached. And there are only four of them in that mileage against eight in the same mileage in the State of Missouri.

Q. In fact there is very little local freight business done
5861 on the Buffalo division, isn't that true?

A. Very little.

Q. Less than on any other division of the company?

A. Yes sir.

Q. And there the cost per hundred tons one mile is less than on any other division?

A. Yes sir.

Q. And you say that is accounted for by the fact that less local business is done there than elsewhere; Is that true?

A. Yes sir.

Q. I will call your attention to the column on the blue print marked "density rank," and I will ask you to state to the Master the density rank of the different divisions of the Wabash Company: What does density of rank mean?

A. It means tons moved one mile. For instance, Decatur's division, which ranks number one, in the year ending June 30, 1906, handled 988,333,459 tons one mile.

Q. Give the Moberly tonnage in density?

A. The Moberly division ranks last, being number six, with 583,253,874 tons one mile for the same period. The Moberly division comprises 859 miles. The Decatur division 459 miles.

Q. What did it cost per hundred tons one mile in the Decatur division?

A. 29.36 cents.

Q. As compared with 48.78 cents for the Moberly division?

5862 A. Yes sir.

Q. What influence does density of traffic have on the cost of handling the business?

A. It is almost the controlling factor.

Q. Explain why?

A. There are a great many expenses that are fixed, and do not increase as the tons increase. Consequently, the more tons that are handled, the lower the unit of cost per ton. There are some expenses that go up directly with the increase of the tonnage. But most of the expenses are more or less constant, regardless of the tonnage.

Q. In other words, as the business grows more dense, the percentage of heavy loads grow more frequent, don't they?

A. Yes sir.

Q. That is one element that enters into it?

A. Yes sir. And the maintenance of way, unless you go to extremes, to get a branch traffic in comparison with a main line traffic, practically the same force is employed on the main line, generally, on the railroad. They usually have one man per mile on the main line, for maintenance of traffic.

Q. Mr. Miller, I will ask you whether or not these figures are absolutely reliable, so far as comparing the cost of business in the different divisions is concerned?

A. I think they are, because the results on each division are measured in the same way.

Q. While they may not be accurate as to either division,
5863 they are based upon the same divisions, and are comparatively correct?

A. For comparative purposes, being compiled each month on the same basis, they are correct. They do not represent the actual cost of doing the work, because of some arbitrary division of expenses.

Q. But they show the comparative cost?

A. Yes sir, one division with another, or a division with itself, from month to month.

Q. If we should assume that the business from Missouri points to East St. Louis, and the stock business from and to Kansas City, was interstate business, would that alter your conclusion that it costs two or three times as much to transact the entire intrastate business as it does to transact the interstate business?

A. No sir, I don't think it could. I think that is a very conservative estimate.

Q. You say that you have only four local trains on the Detroit division?

A. That is all.

Q. Is there much local business on the Detroit division?

A. Not very much. The towns are small and the country is not productive. It is sandy, gravel soil.

Q. You were asked upon cross examination if you could estimate how much of the extra cost for handling intrastate business was included in each of the items which go to make up the total cost of operation in the annual reports, and you said you could not:
5864 I will ask you if your experience from which you form your judgment, was not that the business, intrastate and interstate as a whole?

A. It was.

Q. You have been out on the line and know just how the different classes of freight are handled and what work is performed in connection with each, don't you?

A. Yes sir, I have been through pretty much all the branch lines.

Q. And your judgment is based upon your actual experience and knowledge of the subject?

A. Yes sir.

Q. Gained from the actual transactions?

A. Yes sir.

Q. You spoke yesterday of some railroads with which you had had some experience, that did an exclusive State business: What railroad did you refer to, Mr. Miller?

A. Not exactly an exclusive State business.

Q. Well practically so?

A. The C. B. & K. C., has very little through business. It depends on its local business. The St. Louis & Hannibal road depends almost entirely on local business. The Q. & K. C. runs clear across the State, and does very little, if any, through business. Those are examples that I had in mind of roads doing a State business. They barely eke out an existence.

Q. Were you at one time connected with the first road you mentioned?

A. I had charge of it.

Q. In what capacity?

5865 A. As superintendent and general superintendent.

The MASTER:

Q. That is one of the branches of the Chicago, Burlington & Quincy Railroad, as I understand?

A. Yes sir.

Mr. MINNIS:

Q. Where did that extend, Mr. Miller?

A. From Burlington to Carrollton. That is where I got confirmed in my mind the cost of handling local business, because we put trains on that road, in trying to stimulate traffic and build it up and get the road to pay its cost of operation, trains that carried passengers, mail, express, freight, carload and less than carload, and everything there was to be had. We watched the cost of those trains very closely, and finally we were compelled to take them off. We changed them to run into a trade center, and then thought perhaps they run to the wrong point, and it would be best to run them to another trade center, and we did that. Finally we took them off, because they did not pay the cost of operation.

Q. You may state whether the Hannibal & St. Louis is a profitable road?

A. I think not. It has been offered for sale time and again, at about half what it cost to build. I saw a statement of its earnings which showed that sometimes it earned operating expenses and sometimes it did not, for periods of a year. In fact, I went over it one time to make a report as to whether it was a desirable acquisition to the line I was connected with, and reported no, because there was nothing on it but the local business and I advised

5866 against its purchase.

Q. The last road you mentioned, the Q. & K. C.: what would you say with respect to the operation of that road?

A. I know of that only in a general way, having been delegated to take charge of it at one time, and I had occasion to look carefully into the business it handled, and its earnings and operating expenses, and I found it was not paying expenses.

Q. These roads you have named all run through good, rich country, don't they?

A. Yes sir, it is largely agricultural, and some coal.

Q. But it is a good agricultural country, isn't it?

A. Yes sir, it is up to the average in the State.

Q. Why do you run twice as many local trains between St. Louis and Kansas City as you do on the Detroit division between Detroit and Chicago?

A. Because it is necessary to handle the local business. We have recently changed all of the local trains running between here and Kansas City. Formerly they ran from St. Louis to Moberly, and

from Moberly to Kansas City. There was but one division of the local trains. Now the local trains run between St. Louis and Montgomery, and between Montgomery and Moberly and between Moberly and Brunswick; and between Brunswick and Kansas City, which practically doubles the number of trains required between St. Louis and Kansas City for the local business. That, of course, means an increase in the cost of conducting that business.

5867 Q. Referring to page 38 of the Annual Report for 1906 I notice under the heading "Conducting transportation," numerous items: I will ask you whether or not those items were arranged in accordance with the rules of the Interstate Commerce Commission; that is, the division of expenses of "conducting transportation"?

A. Yes sir. My impression is that we are using the Interstate Commerce Commission classification of accounts throughout. I do not think there is a single item in there that is peculiar to the Wabash Railroad Company.

5868 Q. Other railroads keep their accounts so?

A. The interstate commerce classification is the generally recognized method.

The MASTER:

Q. How long has that been in vogue?

A. Several years. And the Hepburn amendment to the interstate commerce law makes it illegal to use any other method. That is, for the roads engaged in interstate commerce.

Mr. MINNIS: In connection with Mr. Miller's testimony I offer in evidence the blue print headed "Wabash Railroad Company, sample of operating Statistics by Accounting Divisions, for the year ending June 30, 1906, form No. A. O. 168. To which is attached a small blue print, being form A. O. 113." The papers referred to are marked respectively "Complainant's Exhibit 12," and "Complainant's Exhibit 12-a".

Said papers are in the words and figures following, to-wit:

5869 Q. Mr. Miller, I will ask you about a matter I overlooked: How long has the Hannibal bridge been constructed?

A. I have not the date in my mind, but over 20 years. My impression is it was in 1881.

Q. What is the probable life of that structure if it is not removed by the War Department?

A. That would depend on the character of the load that it is necessary to put over it. The bridge itself might stand 30 years, but as the wheel load on the railroad increases it becomes necessary to renew the steel bridges to carry heavier loads. The life of a bridge of that kind is about 25 years.

Q. What would be the approximate cost of renewing it?

A. I could not give that, off hand.

Q. You could not give in the neighborhood of it?

A. Yes sir. I should say $250,000 for renewing the spans.

Q. It would cost that to renew the spans?

A. Yes sir. The bridge would probably be a double track bridge when it is renewed, which would add probably 60 per cent to the cost as compared with renewing it with a single track structure.

Q. You mean 60 per cent over the $250,000?

A. Yes sir. This is a guess.

Recross-examination.

By Mr. S. B. LADD:

Q. You referred in your direct examination to the Chi-
5870 cago, Burlington & Kansas City Railroad?

A. Yes sir.

Q. Is that the name of it?

A. Yes sir.

Q. And its local business?

A. Yes sir.

Q. Where does that road begin?

A. At Burlington, Iowa.

Q. Where does it end?

A. Carrollton, Missouri.

Q. You would not think, would you, Mr. Miller, of comparing the local business carried on a road with termini like Kansas City and St. Louis with a road running between Burlington, Iowa and Carrollton, Missouri, would you?

A. As illustrating the cost of handling local freight, it is a mighty good barometer. There is not much through business.

Q. What do you think of comparing the local business and the result of the local business on a road running from Burlington, Iowa, to Carrollton, Missouri, with one running from St. Louis, Mo. to Kansas City? Do you regard that as a fair illustration of the situation?

A. Not in comparing one line with the other. I simply used that in illustrating the fact that the road without through business could not exist on purely local business and be kept up as a first class railroad, that serves the public, and the community through which it runs, in a fair and reasonable way.

5871 Q. Speaking of these six through trains which run daily between Kansas City and Chicago, and Kansas City and Buffalo, carrying exclusively interstate freight, what is the average amount of tonnage of each of those trains? The reason I ask you is because you compared, in your direct examination, the average of through freight of 300 tons and a local freight of 100 tons: Is that in your judgment about the proportion?

A. Oh, no, I simply did that as illustrating the difference.

Q. I understand. Then what is the tonnage of those trains, the average tonnage, each one of them?

A. I could not tell exactly. I would estimate 750 tons on the through trains.

Q. For each one of those trains?

A. Yes sir.

Q. How much for the average for the 27 local trains that you spoke of?

A. I should say not to exceed one hundred tons.

Q. Those two trains that run from St. Louis to Kansas City and Kansas City back to St. Louis, what you call the through State trains, what would you think they would average each?

A. They ought to average about the same as the other through trains.

Q. About 750 tons?

A. Yes sir, I should say that.

Q. I think you said this morning that those 27 trains in-
5872 cluded everything except some trains on branch roads: Am I right about that?

A. Those 27 trains include everything on the branch trains that do local business, that handle State business.

Q. How many are there of those?

A. Of the branch trains?

Q. Yes.

A. Each branch has but one crew that runs in a way that they make several trips. The branches are short. For instance, Excelsior Springs branch is only nine miles long. The Glasgow branch fourteen miles long. The Columbia branch twenty-two miles long. If you counted each trip a train, that would be one thing. If you count the whole movement, the day's work of a train, that would be another thing.

Q. That is what I mean, the day's work?

A. Then there would be only one train on each of those three branches.

Q. What would be the aggregate amount of freight carried every day on all the trains on the branch lines, not included in those you have enumerated, not included in the 27 trains. Approximately, I mean. I do not care to have it separated and I do not care to know how many trains there were?

A. The Columbia branch for the year ending June 30, 1906, averaged 32 tons of freight per train.

The MASTER:

Q. Not per day, but per train?

A. Yes sir. It is shown on this blue print Exhibit 12 by
5873 trains.

Mr. LADD:

Q. Would that be the haul per day or would it be twice that?

A. It would probably be three times that. I imagine that train makes three trips.

Q. All I want, Mr. Miller, is an approximate estimate of the amount of freight hauled on these branch lines.

A. I should say three times that, that would be 96 tons of the Columbia branch.

Q. And the others?

A. The Glasgow branch would average 16 tons per train, two trains, 32 tons per day.

Q. And the next?

A. The Excelsior Springs branch would average 41 tons, two trains, would make it 82 tons per day.
Q. Does that embrace everything?
A. That is practically all of the trains.
Q. That makes 210 tons daily for those three trains?
A. Yes sir, on the branches.

The MASTER:

Q. Are those all the roads that you denominate as branches, on the system?
A. Yes sir, that is, in Missouri.

Mr. LADD:

Q. Mr. Miller, you have spoken of the Buffalo division, that extends from Detroit to Buffalo, doesn't it?
A. Yes sir.
Q. And it is entirely in Canada?
A. Yes sir.
5874 Q. Who owns that property?
A. The Grand Trunk Railway.
Q. Do they operate trains over it?
A. Very few.
Q. Do they operate any trains?
A. Yes sir.
Q. What kind of trains?
A. They run some freight trains and some passenger trains.
Q. You do not have all the business, then, originating along the line of that road?
A. About 85 per cent.
Q. How is it, is there rivalry between you and your lessor, about the local business?
A. No sir.
Q. How do you arrange it?
A. We run jointly.
Q. What do you mean by "jointly:" Is there a division of revenue upon some basis?
A. Yes sir.
Q. So it does not make any difference to you how much the Grand Trunk gets or how much you get, of actual transportation?
A. That is, there is no competition for the local business.
Q. There is a division of all the local business, no matter whether it is carried by you or by the Grand Trunk?
A. The local trains there are joint trains, run jointly by the two railroad companies.
5875 Q. Am I to understand by that, that the freight trains running through Canada, has some of your cars in it and some of the Grand Trunk cars?
A. Local trains?
Q. Yes?
A. Yes.
Q. Mr. Miller, I understood you to say this morning, or the impression was left on my mind, that you intended to convey the idea

that people in Missouri would deal at the nearest commercial centers, St. Louis on the one hand and Kansas City on the other hand, in preference to going outside: Am I right about that?

A. Yes sir.

Q. To the extent that that preference or disposition is exercised, it would affect the volume of the interstate business. That is, tend to increase the State business and decrease the interstate business, of that particular kind. That is right, isn't it?

A. Yes sir.

Q. You spoke of St. Louis as being a large distributing center, and that is true; But you do not think that the large retail dry goods houses and the wholesale dry goods houses in Kansas City would buy their stocks in St. Louis, do you?

A. Not necessarily.

Q. They probably would not, would they?

A. They probably would not.

Q. There is no reflection on St. Louis, but the Kansas City
5876 wholesaler would hesitate to confess that he had purchased his stock in St. Louis when he is competing with St. Louis. And there is an illustration of a very large amount of business which is probably almost exclusively interstate business?

A. Yes sir.

Q. That is, bought of St. Louis?

A. It does not go through St. Louis.

Q. It comes across the State somewhere. I don't know whether your road carries any of it or not, but it has to come across the State of Missouri.

A. We get some of it.

Q. And a considerable part of it is brought from New York, or even Europe?

A. They go to the producing point.

Q. Up in Kansas City they have a few imported goods?

A. I overlooked the fact that you reside there. You did not understand me to say that St. Louis supplies Kansas City, did you?

Q. Oh, no, not at all. But I meant to call your attention to the fact that there is a very large business in this State, purchasers of merchandise of various concerns, which comes from far east of St. Louis.

A. We admit that.

Q. I understand, Mr. Miller, that you have testified within a few moments here, that the cost per hundred tons one mile on the Buffalo division is 27.85 cents and on the Peru division 27.68 cents: Is that right?

A. Yes sir.

5877 Q. Now, your Buffalo division, I believe you stated, did a comparatively small local business?

A. Yes sir.

Q. What kind of a local business does your Peru division do, good?

A. Yes sir.

Q. A good business?

A. Yes sir.

Q. If that is so, if your local business costs so much more than your through business, how do you account for the fact that your cost per ton is higher on the Buffalo division where you have little local business, than it is on the Peru division, where you have a fair business?

A. Because the Peru division has not a single large terminal attached to it.

Q. How does that affect it, or account for it?

A. A division having large terminals has its cost increased by reason of those large terminals. You have picked out a division in the middle of a long line of railroad.

Q. It has a good local business?

A. It has a good local business, but no large terminals, as for instance, St. Louis and Kansas City, at each end of its road.

Q. Every ton of freight has two terminals, hasn't it?

A. Yes sir.

Q. And all the local freight which you handle in the Peru division has one or more freight terminals?

5878 A. Yes sir, but not Chicago, St. Louis or Kansas City terminals. Those are the places where the highest prices prevail for the clerical force, warehousemen, for the switchmen, for everything which has to do with the business; everything is more expensive, and that is the reason why the cost of the Peru division is low.

Q. That is your answer, is it?

A. Yes sir.

Redirect examination.

By Mr. J. L. MINNIS:

Q. Referring to the business of freight hauled to Kansas City from different points, you said that freight would not likely pass through St. Louis: How would that be handled, through Hannibal?

A. Through Hannibal. The through train service, the train to Kansas City to and from the East is via Hannibal.

5879 W. C. MAXWELL, a witness of lawful age being first duly produced, sworn and examined in behalf of the complainant, testified as follows:

Direct examination.

By Mr. J. L. MINNIS:

Q. What is your name?

A. W. C. Maxwell.

Q. Where do you live?

A. I live in St. Louis.

Q. How long have you lived in St. Louis?

A. About fourteen months, this time.

Q. What is your present business?

A. Assistant general traffic manager of the Wabash Railroad Company.

Q. How long have you been assistant general traffic manager of the Wabash?

A. About fourteen months.

Q. What was your occupation before that time?

A. Assistant general freight agent of the Burlington road located in Missouri.

Q. Where were your headquarters?

A. Here and at St. Joseph, both.

Q. How long were you in that position?

A. Three years.

Q. What was your business before that?

A. For ten years prior to that I was general agent of the Burlington road, having charge of a good portion of the Missouri mileage.

5880 Q. In what business were you before that?

A. Prior to that I was chief clerk in the general freight office of the Burlington road, and occupied all sorts of clerical positions in that general freight and passenger office of the railroad.

Q. For how many years?

Mr. LADD: I will admit that Mr. Maxwell is perfectly qualified.

Mr. MINNIS: I want to show what his qualifications are.

A. Prior to that I was in the local freight service. I have been continuously in the service since 1881.

Q. Have you been connected with the Burlington and Wabash roads in Missouri since 1881?

A. I have always mixed in the Missouri business, and been connected with it.

Q. And how long have you had to do with traffic matters of the railroads?

A. During that entire time. My whole training has been in the traffic, that is, if you count the local office service as traffic, and I would.

Q. Mr. Maxwell, I will ask you why the maximum rate as established by the Board of Railroad and Warehouse Commissioners and the Legislature in Missouri, have not been charged in the instances where a less rate has been charged?

A. I could probably illustrate that by giving you some cases where less rates have been made.

5881 Q. Give us some illustrations?

A. With the reasons?

Q. Yes.

A. The railroads have made less rates on sand and stone for the building, for illustration, of granitoid sidewalks in the town, and also for paved streets, for the reason that it is a public improvement that makes the town more attractive and a better place to live in, and increases the business and indirectly helps the railroad. Also for the reason that it gives employment to a great many people.

They make 75 per cent of the statute rates on stock cattle going into the State, for the benefit of the feeders.

Q. Why is that done?

A. That is done because they think it benefits the community generally to have that industry encouraged.

They frequently make less rates on corn for stock feeders. That applies not only in the case of short hauls, for instance, for say 25 miles or 100 or 150 miles. We frequently find in some years a good crop up in the north corner of the State, say at Cohoke or Alexander or Canton, and you will find corn making a rate into Carrollton, Browning and Milan, and down through that section of the country. The next year you might find conditions almost reversed, and instead of the railroad sticking absolutely to an ironclad schedule in the State of a statute rate, and probably forcing the feeder to put his stock on the market without being fattened, they
5882 make him a low rate on his corn, lower than the statute rate.

Then there is the case of the shoe factory, for instance, there are a number of those located at the City of Hannibal. One has been recently located at Moberly, Missouri. Those factories are compelled to have a rate by which they can ship their raw material out there and bring the manufactured product back, so as to compete with the factories located here.

The first question you are asked when such a proposition as that comes up is if you can make a satisfactory rate for that business, one that will enable them to compete with the factories located here. If you cannot, they say we simply cannot think of going into this State; that is, at any point away from St. Louis. We have to have our goods come in competition with the factories already located here, and if you cannot fix something less than the statute rates, they simply say, I will build my factory over in St. Louis or East St. Louis or Mt. Vernon, or Litchfield, Illinois, or at some point nearby in Illinois or other States, if there is a practicable rate, to get my product into this city where I must have my goods.

In other cases you have quite a number of implement and vehicle factories, scattered throughout the State. We have them, for the sake of illustration, at Carrollton, Macon, Huntsville, Tarkio, Browning, etc. There has been an effort made on the part of the railroad to encourage those industries. To make them live at all and to make them grow they must have something less than the statute
5883 rates, as compared with the similar factory, take for illustration, at Kansas City. You have one wagon factory that moved from Carrollton to Kansas City, and you have another still located at Carrollton. The man says, "I can get my lumber from the south at Kansas City cheaper than I can at Carrollton." He says, "I cannot afford to ship these goods back to Kansas City or on to Kansas City and compete with the man at Kansas City. My labor costs will probably aid me in doing that, but I must have a better railroad rate than the statute rate."

You will find the same conditions existing on your soft coal industry. A good deal of the coal in the northern central part of this State is from interior of the Kansas coal. One big market is Kansas

City. The mines in the central part of the State would, in my opinion, be compelled to restrict and in some cases close up, if they were not given a rate less than the statute. The terminal rate into a market like Kansas City to compete with Kansas coal.

You will find that railroad companies consider that it is to their interest to have as much labor as possible employed in mining coal in the State, along their line, because that brings them business.

There is a cement mill, for the sake of illustration, at Hannibal; a very large institution, something like three million dollars in the plant. We have a similar plant here in St. Louis. That industry would hardly locate at a city like Hannibal, where there is
5884 not a very large market, unless they could get a reasonably low rate to this city, so as to get a share of the business here. They would probably come and locate in this city, where there is a similar material for the manufacture of cement, which has been evidenced by the fact that it is being made here every day by the St. Louis Portland Cement Company.

We have a large cooperage plant, for instance, at Alexander, Missouri. The low rate is made on the raw material from here to Alexander. Most of the product of this cooperage plant goes to a market like Omaha, Kansas City or St. Joe. The natrual tendency with a rate that was not flexible, and not made to meet conditions, would be for that raw material to be shipped direct to the city of Omaha and be manufactured there, rather than be made up in this State.

You can go on with quite a number of illustrations of that sort. Every one of these factories—for instance, take the glue factory at Tarkio, Missouri, Mr. Rankin must have a low rate to get down to the Kansas City market, a lower rate than the statute rate. Otherwise he would locate his factory near one of the big jobbing points.

Q. Isn't it true that in all these instances the reduced rates is necessary for the business to move?

A. Yes, sir.

Q. Take, the instance you have mentioned, the wagon factory at Carrollton, and one that was formerly located there, and now
5885 is located at Kansas City: Isn't it true that in order for the man located at Carrollton to compete in the same market in Kansas City with the man located at Kansas City, he must have a reduced rate or a lower rate?

A. Well, he ordinarily has to pay five cents a hundred more to get his lumber into Carrollton.

Q. That is, the man at Kansas City?

A. And then has got to pay—his trade is west, most of it—and he has to pay from seven and a half to ten cents to get his product in carloads up to Kansas City. I think seven and a half cents is the actual rate that is in there. I think maybe the implement rate is ten cents. Assuming a farm wagon weighs one thousand pounds, he has five cents in on his lumber and seven and a half cents on his wagon, a carload. That would be $1.25 a wagon. He would naturally go where he could save—assuming that was increased by the application of the strict rates to $3.50,—he would have to throw up his hands. We will assume he overcomes part of it in cheaper

labor, or something of that sort, but if you put the tax too high he will go where he can save that $1.25 per wagon.

To go a little further, you would not have a shoe factory at Hannibal or in the interior of this State, and that is what the people want—Moberly has just paid a bonus of $60,000 to get one and Columbia, which is paying $90,000 to get one, and Washington is to get one, and every city in Illinois is competing for those same factories—but they would be either here in the city of St. Louis or some of these nearby Illinois towns, where they could get a
5886 freight rate that would enable them to ship these products in here and compete with similar factories here.

Q. As I said, it is necessary to give the reduced rate in these cases, in order for the business to move: That is at the real bottom of it, isn't it?

A. Yes, sir.

Q. Take for instance the axe-handle factory at Moberly: I don't know whether there is one there or not, but assume there is one there. That is on the Wabash. I suppose there is an axe-handle factory at Browning, Missouri; that is on the Burlington. Now, the mileage from Browning to Chillicothe is not more than half the mileage from Moberly to Chillicothe. In order for the axe-handle manufacturer at Moberly to sell his axe-handles at Chillicothe market, you would have to give him a low rate, wouldn't you?

A. If Chillicothe was a large market, you would probably try to put him in there, yes, sir.

Q. If you did put him in there you would have to give him a reduced rate, wouldn't you?

A. Yes, sir, assuming every other condition was the same.

Q. I used that merely to illustrate. The same way with corn: When you haul it from one part of the State to the other, you make a reduced rate in order to get the stuff moved, don't you?

A. Not entirely. There is an element of helping out in that corn movement. That is, you are doing a certain amount of work at less than you think you should do it, because there are indirect
5887 benefits to the feeder and to the community and to the railroad. If that man was obliged to force his cattle on the market and they are not ready for it, he would probably go broke, and not feed again the next year.

Q. So in order to get corn to move, you do have to give a low rate?

A. Yes, sir.

Q. That is the fact about it, isn't —?

A. Yes, sir, to move to that market.

Q. I will ask you if as a rule where a reduced rate is made, it is not made in order to move the stuff?

A. That is the rule or custom.

Q. Where the freight will move at statutory maximum rates, as I understand it, you charge those rates?

A. Yes, sir.

Cross-examination.

By Mr. KENNISH:

Q. You say that there has been a reason for every case in which you have given a rate lower than the statutory rate: Some reason for having the community or the interest which receives a lower rate than the established and authorized rate charged under the statute or under the commission schedule?

A. Where those rates are made, they are made alike to all, under the same circumstances and conditions.

Q. But I understood you to say that in order to locate factories at certain places you had made rates so as to help them out, where they could not have successfully conducted the factory if it
5888 were not for these low rates given them?

A. Yes, sir.

Q. If lower rates could be secured factories could be started up most anywhere if the rates could be made low enough?

A. If they could be made low enough.

Q. Yes, they could be started up many places in small towns where they could not exist on the regular statutory rates?

A. Provided all other conditions in connection with the manufactory were the same.

Q. You mentioned one fact, that labor was generally cheaper in these small places, and the factory would have that advantage, and if it could get corresponding advantages in the lower rates, they could successfully manufacture wagons, axe-handles, shoes, etc., at places where they could not exist if the statutory rates were charged: In other words: It is a favor on the part of a railroad to the communities that are given these statutory rates in all cases, isn't it?

A. I should not say so. I think it benefits the State as a whole. Take your own case, up near your home city, Tarkio: Any intermediate point would not pay any higher rate if they established a similar industry along there.

Q. You spoke of Rankin having a factory up there?

A. Yes, sir.

Q. He is not on your road, is he?

A. No, sir.

5889 Q. Why did you speak of that as a reason for reducing the rates?

A. I speak of that because the same conditions prevail there, exactly the same conditions prevail at Carrollton on our road.

Q. I understood you were answering Mr. Minnis as to why you gave lower rates than the statute rates in certain instances.

The MASTER: I think Mr. Minnis' question inquired what was the reason that railroads—I don't think he confined it to the Wabash.

Mr. KENNISH:

Q. You were answering generally as to all railroads and not as to the Wabash alone?

A. That is right.

Q. You say that a rate is given of 75 per cent on stock cattle?
A. Yes, sir. It applies to every shipment in the State of Missouri alike.
Q. Did you take into consideration the fact that your company was losing over one-half million dollars a year on State traffic, when you were making these concessions and showing these favors to these different industries?
A. My opinion is they would probably lose more if they did not do something to encourage traffic and make a greater volume of it. I think if we can get a denser traffic and more of it, we could gradually handle it cheaper.
Q. You think, then, you were making a profit at shipping cattle at 75 per cent of the statutory rate?
5890 A. Do I think so?
Q. Yes.
A. Not on that direct transaction, no. But those cattle are brought in and fattened and taken out again at the fat cattle rate. You get another haul on them.
Q. At these lower rates you have given to certain communities, such as Carrollton and Hannibal and all those places, were you making a profit on the shipment in, considering that the shipment out, in each case just as in the instance of the cattle you have just mentioned?
A. I think we have not made those rates probably below the margin of cost.
Q. You say they are not made below?
A. I think not.
Q. You would not be incurring any loss in any case in which you were granting lower than the statutory rate, you think? That is, you would not be giving these lower rates at a loss to the company, considering the shipment in and the shipment out?
A. We think we are developing traffic, and we are going to have more of it; and if you have 100 men employed at an industry, if you had them at your home city, you would probably have 500 more souls there and that means more clothing and more coal and more groceries, and so forth, and so forth.
Q. The purpose of a railroad company is not so much to help a town as to help its own company?
A. The purpose of the railroad is to work with the State
5891 and develop the State in every way and give them all the accommodations they possibly can.
Q. Aren't they working primarily to develop the railroad
A. I think all railroads appreciate that they are semi-public affairs, and what is good for one is good for all; what is good for the road is good for the people and so forth, and so forth.
Q. And establishing shoe factories, harrow factories and wagon factories, builds up the local traffic and not the interstate traffic, doesn't it?
A. It builds up both local and interstate.
Q. But chiefly the local?
A. I should not say so. Both.

Q. Equally?

A. Well, I don't know. In some cases it might be equal and in other cases not.

Q. Didn't you say that what people wanted was to have these people near at home; that is, have the supply close to the people themselves? Wasn't that the reason you mentioned there?

A. No, sir, I did not mention that.

Q. Isn't it because they would get the shoes without having them shipped so far as if they got them from St. Louis?

A. I said they must have something better than statute rates in order to meet conditions, such as I cited, shoe factories in St. Louis. Everything manufactured in the City of Hannibal must come down here.

Q. The point I am getting at is, if the profit of a railroad
5892 company consisted entirely in its interstate business, through business, and it was doing its local business at a loss, would it be to the interest of the railroad company to build up and increase the local traffic in order to increase its local or State business?

A. You increase, when you get a factory in the State, you increase all classes of traffic, both local and interstate traffic.

Q. To a certain extent?

A. I do not think there is any one of these industries I have mentioned that confine their traffic simply to the State. They sell outside of the State, except the shoe traffic and their traffic comes down here altogether and is shipped out from here.

Q. But don't you think, Mr. Maxwell, that most of the factories you referred to, such as the wagon factories located in an agricultural community, or the glue factory you referred to, in an agricultural community, is not the purpose in locating it there to reach the trade of the consumer more readily than to have it at the large centers?

A. No, sir.

Q. And wouldn't there be a larger per cent of local traffic from such a factory than if located at St. Louis or Chicago?

A. I should not say so. There is not any man that confines his business to the limited borders of the State.

Q. No, sir, but in the instance of Columbia, which you mentioned, where a shoe factory is to be located, that is on a
5893 branch road of your system, isn't it? It is not on the through line, to begin with?

A. That is true. It is on the branch.

Q. And the output of that factory would be compelled to be handled by a local train?

A. Yes, sir.

Q. To begin with, at least?

A. Yes, sir.

Q. And that is equally true of the factory at Tarkio: That is on a branch road?

A. You mean the business on the branch line is so thin it is impossible for them to run any other than local trains on that line, that they run trains with three or four cars on them, or something

like that. If they can get Mr. Rankin to make ten cars of implements and ship them to Denver, Minneapolis, and so forth, besides supplying the local trade around there, it is a grand thing for the community around there, I think.

Q. It is a grand thing for the community, but I understood from Mr. Miller that only local trains were run on branch lines on your system. Now, if a factory is established at a town which is located on a branch line, then the output of that factory must necessarily be handled on the local train a part of the distance?

A. That is true.

Q. And that would be much more expensive, according to your way of estimating the cost of local as compared with through traffic, wouldn't —?

5894 A. It is more expensive to handle local traffic than it is through traffic, in my opinion.

Q. But is not the purpose and the object of the railroad company to build up the interior of the State, and to build up and increase the local traffic: Isn't that the fact?

A. It is their object to build up every single city and village in this state, to the fullest extent, so far as our road is concerned, and many other roads are pursuing the same policy.

Q. Even if it is done at a loss to the railroad company?

A. They think if the cities get larger and the villages get larger, and all that sort of thing, they will make a dense enough traffic after a while so they can do business at a profit.

Q. I inderstood you to say a little while ago that in these industries in which you have two hauls, getting the haul into the factory or to the cattle feeder, and the haul out, that considering both shipments the railroad was not doing the business at a loss?

A. You cited the stock cattle business.

Q. That is right. You did answer that way, didn't you?

A. I said they got another haul on it. They got the haul on the fat cattle to the market.

Q. Considering both hauls, the company would not be doing the business at a loss?

A. I don't know whether I said at a loss, but I said I thought it was a good thing for them to do.

5895 Q. What do you say now?

A. Do I think they do it at a loss?

Q. Yes, taking both shipments into consideration.

Mr. MINNIS: The statutory rates of 1905.

Mr. KENNISH: He understands the question, I think.

A. As to the statutory rates of 1905, the Wabash railroad to the best of my knowledge, and no railroad in any State, under any similar conditions, ever voluntarily made a rate as made by that statute.

Q. I don't think there has been any mention of that statute until Mr. Minnis mentioned it. I was cross-examining you strictly on the same subject matter that Mr. Minnis examined you on in chief. You testified that cattle was shipped in at 75 per cent of the statutory rate and when fat they were shipped out, I suppose at the statutory rate: Is that true?

A. Yes, sir, if moved within the State.

Q. What I asked you was, would the railroad lose on that transaction, considering both shipments?

A. Well, I think that would come into the general average of our whole business. The rate would be fair on the per cent basis as compared with other rates.

Q. You think the rate would be fair?

A. Yes, sir. I could not take one individual transaction like that and tell you whether I made a profit. Our business is not divided up so I could tell that.

Q. You have a good deal to do with fixing the traffic rates?

5896 A. Yes, sir.

Q. Have you authority from your superior officers to fix any rates that would result in a loss to the company in doing the business under those rates?

A. If I were making many rates on which the company was sustaining a loss, I would not be in the service very long.

Q. You think not?

A. I would not make any as low as made by the statute of 1905.

Q. You have not made any that low?

A. No, sir.

Q. The 75 per cent rate which you referred to would be very near that low, wouldn't it, on cattle?

A. No, sir.

Q. How much of a reduction do you claim has been made under the Act of 1905, on live stock?

A. I have not got the present statute rate with me.

Q. You have looked into that somewhat and know. Wasn't it about 30 per cent?

A. I looked into those live stock rates a little last year. I think it is a great deal to ask any railroad to take and handle a carload of horses worth $2500 or even $2000, ask them to haul that freight 25 miles and pay them for delivering and unloading it and absorbing the switching as a rule at the terminal, and stand the risk you have to stand, and generally transport a man with it both ways, giving him generally his passenger fare, and then haul that man

5897 and the car back empty—it is a crime to perpetrate any such rates as those suggested—on any railroad.

Q. That is what you think of the Act of 1905?

A. That is my opinion about it.

Q. You say if you fixed rates at such figures as would result in a loss to the company, you would not continue in your present position very long?

A. I think not.

Q. How long have you been in your present position?

A. Fourteen months.

Q. Who was in your present position before you?

A. They did not have anybody connected with the company that had just the same title I have.

Q. Do you know the rates on State traffic were such that your company lost over half a million dollars on the State traffic?

A. I know the Wabash business west of the Mississippi River has been extremely light. It is a good deal like skim milk.

Q. Who was traffic manager at that time, in 1904?

A. Mr. Knight was general freight agent.

Q. Have you something to do now with making the rates?

A. Yes, sir.

Q. What do you take into consideration in making a rate, where you make it lower than the statute or the schedule of the commissioners: You say you could not hold your position if you fixed them so it would result in a loss to the company: What do you

5898 take into consideration in fixing the rate and determining how low you can go to help these factories and local industries?

A. Well, you have not got any schedule or theory on which you can work that thing out. It is just a matter which you fix from your knowledge and experience in the handling of the business.

Q. Yes, but you say you want to fix it so it will not result in a loss, and you must take some factors into consideration in knowing you are not fixing it too low?

A. Well, we know in a general way what we get in various States and for similar hauls, and everything of that sort. We know what our cost is, per ton per mile, generally.

Q. And after figuring on all those things——

A. Well, we hardly ever bring the cost per ton per mile into calculation in making the rate.

Q. You say you consider what you get in other places and what other roads charge for similar service, and all such matters, and then you fix the rate with that information, and you aim to fix it at such a figure that the company will not sustain a loss, when you consider a shipment both ways: That is right, is it?

A. Yes, sir.

Q. In this case you have mentioned, in answer to Mr. Minnis, giving reasons why you have charged less than the local rates in certain cases: If you have not incurred a loss on those shipments, can you tell whether the company lost a half a million dollars on this freight business in 1904?

5899 A. I will tell you, Mr. Kennish, for the sake of illustration, I believe, take the wagon company at Carrollton——

Q. You have explained about those cases. You have explained and given the reasons as I understand, that actuated the company in all cases where they charge less than the rate allowed to charge by statute and by law?

A. That is one of them.

Q. Then if there was any loss it must have been on freight on which they were charging the full local rate. Isn't that true? Do you think the company could lose one-half million dollars on its State freight business in 1904, from your knowledge as an expert and as a railroad man?

A. I think the figures made by our auditor, which I believe are as near as human beings could make them out, are correct, are right.

Q. I am not asking you about your figures. Sometimes there may be mistakes made in figures. But I am asking you as a railroad man, on your own judgment, outside of any figures, with your experience in railroading and your knowledge of the Wabash Railroad and the country through which it operates, do you believe that the Wabash Railroad Company in 1904 lost over a half million dollars on its State traffic, in Missouri?

A. Leaving out the interstate traffic?

Q. What is your answer?

A. Your question is whether I believe the company had lost a half a million dollars on State traffic in 1904.

Q. Or on its State traffic in Missouri, whether State or interstate?

5900 A. I believe that the figures that have been presented, showing such a loss, are correct, to the best of our knowledge and belief.

Q. You said that before, but I asked you if in your opinion as an expert, on your own judgment, outside of the figures?

A. Yes.

Q. You think it did lose that much in that year, and yet as an expert that in the cases in which you have fixed rates and fixed them below the legal rates, you do not think you are fixing them at such a point that the railroad would lose, considering the shipment both ways?

A. Well, in the case of the wagon factory at Carrollton, I think the company would make some money on hauling that lumber in from Kansas City. If the factory was not there, they would not haul it at all. If it were in Kansas City, for example, instead of Carrollton, I think they make a profit on that. Assuming we are handling the manufactured goods out at somewhere near the cost, that is some of the State traffic, we have made money on the whole transaction.

Q. Of course, on that part of the traffic that resulted from these factories that you have referred to, you would not be restricted at all?

A. No, sir, you take any one of those factories, any one of them, and I feel confident that very much in excess of two-thirds of their product goes outside of the State.

Q. And you think that there would not be a loss on the wagon factory you referred to at Carrollton?

5901 A. I think there would not.

Questions by Mr. LADD:

Q. Did you lose any money on your interstate traffic in 1904, in Missouri?

A. I think not.

Q. Then according to the figures Mr. Tobin, your auditor, has presented here, you lost $558,000 on your interstate freight business in this State during that year: were you connected with the company at that time?

A. No, sir.
Q. You had no connection with it?
A. No, sir.
Q. When did your connection begin?
A. September 1st, of last year, 1905.
Q. Did you lose any money on your interstate freight business in Missouri in 1905?
A. I have not seen any figures that have been compiled on our State business for 1905.
Q. Interstate?
A. Interstate business, I think we did not.
Q. The figures which Mr. Tobin had presented here, you have referred to, your auditor, shows that your loss on the State freight business for 1905, assuming that you did not lose anything on your intrastate business, was $172,000: Did you know it?
A. No, sir, I did not.
Q. If you had known it, would you have raised the rates?
5902 A. You mean did I know?
Q. You were there in September, 1905: Did you know you were doing your State freight business at a loss?
A. We could not raise them: Your people won't let us raise them.
Q. Whom do you mean by "my people?"
A. The State of Missouri, whom you are representing.
Q. Weren't you carrying any number of articles of merchandise along the line of your road at lower rates than allowed by the Board of Railroad Commissioners—a great number of them?
A. There have been a great number of these commodities——
Q. I am not asking you about commodities: I am talking about articles of freight not mentioned in the Act of 1905: But that is immaterial. You did not know you were losing money on your State freight business in 1905?
A. I knew it after the figures had been prepared.
Q. You did not know it at the time?
A. That is at the time. These figures were not prepared until a few months ago.
Q. Yes, I know. But while you were losing the money you did not know it: Is that so? You were there during the months of September, October, November and December, four months of the twelve, in which you lost $172,000.

Mr. MINNIS: That is going into the same matter that Mr. Kennish went into.
5903 The MASTER: Oh, no. But even if he did, I would not restrict the examination by one counsel on the same subject. If additional counsel want to ask additional questions, I think it is perfectly proper he should be permitted to do so.
Mr. MINNIS: I withdraw my objection. I thought your Honor did not want to hear a repetition.

Mr. LADD:
Q. You were there as freight traffic manager of the company

during a part of the time in which the company lost $172,000 and you say you did not know it and never discovered it?

A. Not until these figures were prepared.

Q. Until months after your loss was sustained?

A. Yes, sir.

Q. What is your position?

A. Assistant general traffic manager.

Q. That implies that you have a superior, a traffic manager?

A. Yes, sir.

Q. How long has he been there? Who is your traffic manager?

A. He came there one month before I did, in August, 1905.

Q. He is still there?

A. Yes, sir.

Q. And during the time you were there, during those four months last year, there was no effort, no suggestion, of raising the rates on the State traffic on any articles, was there?

5904 A. I went over every rate that the railroad had in existence on December 31st of last year, in the month of December, and I cut out every single rate that I found it was possible to cut out, and raised every one that I thought it was possible to raise, that were less than the statute rates. I could probably say I cut out a large number of rates.

Q. You did not know until these figures were made up, as I understand, that you had lost last year $172,000 on your State business: Now, here it is near the end of another year, 1906: Have you been losing or making money on your State business this year?

A. You know there are a good many things that enter into that, whether you are making money or losing money. Every bit of energy and experience and sense that these men have that are operating the property, is being bent toward reducing the cost of doing business, that is, of one set of men; and another set of men, for the sake of illustration, to getting all you can reasonably get out of the business without hurting the community.

Q. Am I to infer from that, and if I am not please say so, that under one management the rates are profitable, while under another management the property may sustain a loss?

A. I do not feel sure about that. That is in the range of possibility——

Q. I thought that was your suggestion.

A. —as to whether it could be accomplished.

Q. I will explain to you, or perhaps you already understand it, this action is brought upon the ground, not only that the rates fixed by the Act of 1905 are so low as to be injurious to the rail-

5905 road company, but also on the ground that the rates which you were charging before that Act, and which you still continue to charge, were so low that you could not make any money, but did your State freight business at an actual loss of $558,000 in one year, and something less the next year: Now, I ask you, if during this current calendar year, you have made or lost money on your State freight business?

A. I think we are still losing money.

Q. How much this year?

A. Any statement I would make on that would be a mere guess, until the figures are presented.

Q. I will ask you if you think they are still losing money, why you don't put up your rates?

A. Well, there are always things and conditions that enter into that. In many cases I would like to put them up, but cannot. Part of them are fixed by statute.

Q. Is the Wabash Railroad Company so located or so constructed or so managed, that it is impossible for it to do the business of the people of this State, and make any money? Is that the proposition?

A. I think if it was confined purely to this State traffic, and the State rates, it would become a pretty poor, broken down institution. It is bad enough as it is.

Q. Am I to understand, then, that it is impossible for the Wabash Railroad Company in this State, under any feasible schedule of rates, to do this State business except at a loss: Is that your opin-

5906 ion?

A. I think as the traffic grows in density, if the railroads are let alone a while, it will possibly get along and greatly improve the roads, and get railroads like we should have in this State.

Q. How long will it be before you are able to do your State business and make ends meet?

A. That all depends upon the development of the country and the development of the traffic.

Q. What do you think? Will you be able to do it in twenty years?

A. Yes, sir.

Q. In ten years?

A. If we can have prosperity and go ahead, doing what we have been doing in the last year or eighteen months.

Q. Do you think you would be able to do it in ten years?

A. Yes, sir. Then we could get our heads above water.

Recross-examination (continued).

By Mr. KENNISH:

Q. Do you know what the average revenue per ton mile on the Wabash Railroad was for the year ending June 30, 1906?

A. Not without looking up the figures.

Q. You have not looked that up?

A. No, sir, I do not think the Missouri part is separate. Everything west of the River is in one sum. It is all lumped together, the whole traffic.

Q. You don't know without looking up figures what the revenue per ton mile would be on any part of the system, do you?

5907 A. It is all lumped in together, as I understand it.

Q. When you state that if you were left alone so you could have the prosperity you have been enjoying in the last year or two——

A. The country's prosperity.

Q. That is yours, too?

A. We come in, incidentally.

Q. Unless you get part of it, it would not help you any, would it?

A. No, sir.

Q. You mean if conditions continue as they are now, you think you would get your head above water in a few years?

A. I think there is hope of it, yes, sir.

Q. What part of the business do you expect to receive a profit on which would enable you to get your head above water? If things are left in their present condition, as I understand you want them left?

A. On the development of interstate traffic, and on the growth and volume of the State traffic, all business generally.

Q. You think that if the State rates were left as they are, it would enable the company to make a reasonable profit on the State freight business?

A. No, sir, I think it would enable them to diminish the loss they have been sustaining.

Q. You state that the business would grow to such a point that with the present rates it would enable you to——

5908 A. With increased volume, the decreased cost would probably give a very great increase of density of traffic, and we would probably get the two things together.

Q. If competing lines would be constructed in the meantime so as to divide the freight traffic of the railroad company, that would be worse than the present times?

A. Yes, sir, that would add to the troubles.

Q. Do you keep statistics in your office that would enable you to give the revenue per ton mile for the different divisions of your system?

A. No, sir, not by divisions.

Q. You do not keep that?

A. It is all together.

Q. Could you give it for Missouri?

A. No, sir. We would have to give it for the whole road.

Q. There are no sub-divisions of it?

A. No, sir.

Q. I want you to give the rates on the different classes of freight from the Mississippi River to Buffalo, N. Y., and Boston, if you have them?

A. You mean the class rate or live stock rates?

Q. Different rates?

Mr. MINNIS: Let them furnish a statement of what they want and we will prepare it.

Mr. KENNISH:

Q. I want to ask you if you think a railroad company would make money on the passenger business in the country where it would lose money on its freight business?

A. Yes.

5909 Q. Why? Does not the density of traffic go almost together, as to passenger and freight traffic?

A. I should say there would be some connection between the two, but it does not always follow.

Q. You have nothing to do with the passenger rates?
A. Yes, sir.
Q. You do?
A. Yes, sir. You will find some States where the habits of the people are such that there is hardly anything you can offer in the way of train service or rates that would induce them to travel; and on the other hand you will find a custom among the people in another State that they will go on the least provocation. Just a little announcement of a little concession in the rates, or a round-trip rate, will fill your trains.
Q. You think the passenger business has been profitable in Missouri, don't you, on your road?
A. I think on some of our main lines we probably made some money. On our branch lines we run lots of trains for the accomodation of the public, that have shown a *a* loss every day we run them.
Q. On some of the branch lines?
A. And some of what we call main lines.
Q. Is it a fact that some of your branch lines, as an entire branch road, fail to pay expenses of that line?
A. Those figures are not kept separate.
Q. Don't you keep them separate?
A. We keep the passenger earnings separate.
5910 Q. What is your opinion? We have had mentioned here the Columbia branch, the Glasgow branch, Excelsior Springs branch, what is your opinion as a railroad expert, that those branches, independent of the main line, or in connection with the main line—whether or not they pay anything more than a return on the investment in the branch line property?
A. I think the Excelsior Springs branch, in the course of a few years, will be a fairly decent proposition. We were called upon this year to spend $25,000 there in a station and facilities, which will take us a good while, you know, to get that back out of that eight miles of travel. The Glasgow branch I would not take as a gift. You could not give it to me. I think the Columbia branch pays pretty well. It will average up fairly well. So, on the whole——
Q. The Glasgow branch is the only unprofitable one, you think?
A. I do not think Excelsior Springs branch is making any money today.
Q. Outside of the improvement?
A. The improvement has not been made yet, but it will be made if we can pick up the money. People need it there.
Q. How has the business been for the past year?
A. I would just as soon not have it as to have it; it is just a toss up. If they would spend $100,000 on a hotel there, and get some other attraction, as the town goes on growing as it is today, in the furture years it will pay. It is there just for the future.
5911 Q. It has not made any money or any loss?
A. I think probably it has not been losing anything. Probably it has been sustaining itself.

Redirect examination.

By Mr. MINNIS:

Q. Referring to an inland industry, like the shoe factory at Moberly: That is quite a factory, isn't it?

A. Yes, sir.

Q. There would be a great many persons go to Moberly to work in that factory, will there not?

A. Yes, sir, they would be outside population brought in there and they have to be clothed and fed, and they burn coal and their relatives will be visiting them back and forth, and there will be more or less business made by that.

Q. And building houses?

A. Everything goes right along with it.

Q. Do you know that there is under construction now, or planned, more than 500 additional houses at Moberly, on account of this factory?

A. No, sir, I didn't know that, in detail, but I know we succeeded in getting a brick factory in there. We got some Canton, Ohio, people to come there and invest. We sought the country over to make use of that clay there, in large factories. They have the clay and coal there.

Q. And that requires a great many people to work there?

A. Yes, sir.

Q. And as you say, they build houses, travel, and need
5912 supplies of all kinds?

A. Yes, sir.

Q. And that, of course, would be the indirect result of the factory locating there?

A. Yes, sir. That will probably bring more business to the railroad, on which there will be a profit.

Mr. MINNIS: I want to offer in evidence the contract between the Hannibal Bridge Company and the Wabash, St. Louis and Pacific, and Missouri Pacific Railroad Companies.

The MASTER: That is the contract of lease?

Mr. MINNIS: Yes, sir.

I also offer in evidence the assignment of that contract to the Wabash Railroad Company. The papers referred to are marked respectively Complainant's Exhibit 13 and Complainant's Exhibit 14.

Said papers are in the words and figures following, to-wit:

5913 Mr. MINNIS: I also offer in evidence the annual report of the directors of the stockholders of the Wabash Railroad Company, for the fiscal years ending June 30, 1904, June 30, 1905, and June 30, 1906.

Said copies of reports are marked respectively Complainant's Exhibit 15, Complainant's Exhibit 16 and Complainant's Exhibit 17.

Mr. MINNIS: I want to attach to the testimony of Mr. T. J. Tobin a detailed statement of the rentals paid by the Wabash Railroad Company during the years 1904 and 1905.

The paper referred to is marked Complainant's Exhibit 18.

Said paper is in the words and figures following, to-wit:

5914 The Complainant here rests.

At this point the further hearing of testimony herein was by consent adjourned until Monday, January 7, 1907, at 10 oclock A. M.

5915 Wabash Railroad Company.

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5916 ST. LOUIS, MISSOURI, *January* 7, 1907.

Met pursuant to adjournment as above on Monday January 7, 1907, at 10 o'clock A. M., in the Federal Building, in the city of St. Louis, Missouri.

Present: Mr. F. L. Schofield, Special Master, Mr. J. L. Minnis, Counsel for Complainant, Messrs. Sanford B. Ladd, and John Kennish, appeared in behalf of the Defendant.

The following procedings were had:

At the request of counsel for the Defendant, a further adjournment was taken to tomorrow, January 8, 1907, at which time the hearing will be resumed at the same time and place above noted.

ST. LOUIS, MISSOURI, *January* 8, 1907.

Met pursuant to adjournment as above on Tuesday January 8, 1907, at 10 o'clock in the forenoon, in the Federal Building, in St. Louis, Missouri.

Present: Mr. F. L. Schofield, Special Master, Mr. J. L. Minnis, Counsel for Complainant, Messrs. Sanford B. Ladd and John Kennish, appeared in behalf of the Defendant.

The following proceedings were had:

5917 *Testimony for the Defendant.*

CHARLES SIZEMORE, a witness of lawful age, being duly produced, sworn and examined on the part of the Defendant, testified as follows:

Direct examination.

By Mr. JOHN KENNISH:

Q. State your full name?
A. Charles Sizemore.
Q. Where do you reside.
A. Louisiana, Missouri.
Q. How long have you resided there?
A. All my life.
Q. What business are you engaged in?
A. At present, traffic manager of the Stark Brothers Nursery & Orchard Company.
Q. How long have you occupied that position?
A. Since 1898.
Q. State what your duties are as traffic manager of the Stark Brothers Nursery Company?
A. My duty is to check all incoming freight, to route and check all outgoing freight; where we pay the freight on shipments coming in, to see they are received at the correct rates; and on prepaid shipments going out, to see that they are not overcharged.
Q. You may state the extent in volume of business of that nursery, as to the amount of freight paid annually, as compared with other similar nurseries in this country or in the world?

5918 A. For the past five years our annual average freight paid has run from 50 to 55 thousand dollars. As to other nurseries I cannot say, although I know none of them employ a railroad man—none that I have heard of—claiming that their business does not justify it.

Q. To what points is the product of your nursery shipped?

A. To all points in the United States and nearly all countries, except Russia.

Q. Have you had experience in the matter of freight rates, as to other commodities than the product of the nursery, such as are shipped in to the nursery and so on?

A. Some, but to no great extent.

Q. What was your business before your employment with the nursery began, Mr. Sizemore?

A. Railroad man.

Q. Where?

A. At Louisiana, Missouri, for six years, with the Burlington Railroad Company.

Q. What position did you hold?

A. As shipping and rate clerk for six years and six months with the Burlington Railroad at Louisiana, Missouri, and nearly a year at St. Louis as bill clerk.

Q. You may state whether your services with the railroad company required you to familiarize yourself with the matter of freight rates,—if you gave that subject special study during that time?

A. It did. That was my chief work.

Q. You may state to the Master what you know, if anything, relative to the freight rates fixed by the State Board of Rail-
5919 road & Warehouse Commissioners in Missouri, as compared with interstate freight rates and freight rates of the adjoining States?

Objected to as immaterial.

The MASTER: Is this for the purpose of instituting a comparison?

Mr. KENNISH: Yes. Such comparisons have been made by different witnesses.

Mr. MINNIS: I don't know that they have in this case. But I know that they were in the Burlington case. Mr. Crosby supplied exhibits on that very point.

The MASTER: I will overrule the objection and determine its competency later.

A. I have noticed that the State rates as compared with other State rates and with interstate rates—that is, Missouri rates, are higher than those of Iowa and Illinois; and interstate rates in other States. That is, to a certain extent.

Mr. MINNIS: That is objected to because that is not the proper way to prove it. The fact should be established. It is incompetent in this case, what the rates are in other States.

The MASTER: I am inclined to the view that this is not the best evidence. If it be sought to institute a comparison of rates upon specific articles——

Mr. KENNISH:

5920 Q. Can you name any instance, from your own experience, Mr. Sizemore, as to the rates referred to?

Mr. MINNIS: That is objected to. We object to specific instances of what rates have been charged. If, as counsel say, the rates are before the Master, it is not necessary to put anybody on the stand to testify to that.

The MASTER: If the testimony of this witness is competent to institute a comparison between the rates charged for State or interstate freight in Missouri, it would be competent to introduce another or a half dozen other witnesses to show he was mistaken. The best evidence of whether there is a difference between the rates charged in and from this State, and other States, on similar commodities, are the schedules of rates, themselves.

Mr. KENNISH: I believe he has the schedule.

The MASTER: Very well, let us have the schedule.

Mr. KENNISH:

Q. Have you the rates you referred to?

A. Yes sir.

Q. Will you get those papers?

A. Will you kindly repeat your question?

Q. The question was, to make a comparison between the freight rates in Missouri, as compared with the interstate freight rates, and the freight rates of the adjoining States, Iowa and Illinois?

Mr. MINNIS: I object to that because that is incompetent. It does not tend to prove any issue in this case. It is too remote.

5921 The MASTER: The objection is overruled. I will determine later what bearing it may have, if any, upon the questions involved in this case. I do that, however, without establishing a precedent as to the extent to which such an examination may be pursued.

Mr. KENNISH: I did not intend to go into the question extensively with this witness. But to ask him only a few general questions.

A. I have a statement of billing here, which is the Burlington Railroad Company's freight receipts for our full shipments, less than carload, going to the various points in Indiana. There are several sheets here, with about thirty on one page, and they all run thirty-one cents per hundred——

Mr. MINNIS: That is objected to. The question is what the rates are. I do not know what they have done.

The objection is sustained.

Mr. KENNISH:

Q. Mr. Sizemore, you confine yourself, then, to interstate rates on various roads, if you have the schedule rates with you; and take shipments a given distance, on interstate freight, and compare it with shipments for a given distance on Missouri State freight of the same class?

A. I have a tariff here showing the first class rate from St. Louis, Missouri, to Kansas City, Missouri, 60 cents per hundred. I have another tariff here showing——

The MASTER: That comes back to the objection which has
5922 already been sustained. If the testimony here intended to be offered, relates to the difference in the rates charged in Missouri, for State or interstate freight, the question of comparison may best be made by the official rates charged. Now, there must be schedules established, that is, the official rates, and those would be the best evidence of that fact, if it be competent in this case.

Mr. KENNISH:

Q. I believe you have schedules of the interstate rates, haven't you, Mr. Sizemore?

A. Yes sir, of certain States.

Mr. KENNISH: I would suggest that in the Burlington hearing witnesses were offered and gave their evidence as to rates on their roads in different States, and said they knew, what would be the reasonable rates for the State of Missouri.

The MASTER: My recollection is that those questions arose as comparing the similar conditions existing between one railroad and another railroad. That is to say, as throwing light upon the question as to the reasonableness of the local rates charged by one railroad, as to similar rates charged under similar conditions by a railroad other than the one under investigation. And the evidence was admitted for that purpose.

Mr. KENNISH: I think it would be perfectly competent to prove by this witness what the rates charged on interstate shipments that
affected Missouri freight were as compared with State rates
5923 for the same distance, or any distance; to make a comparison of the rates charged on interstate freight and on State freight.

The MASTER: The question of the rates upon interstate freight could bear upon the issues in this case only indirectly, as to apportioning the expenses which should be assigned to the conduct of that sort of traffic. The reasonableness or unreasonableness of the interstate rate, as a subject, is without the jurisdiction of this investigation.

Mr. KENNISH: I am thoroughly familiar with that, Your Honor, but when Mr. Crosby was a witness, the Master will remember very well he submitted an exhibit making comparisons between interstate shipments for an equal distance with the rate on State shipments, and his testimony was received, to show the unreasonableness of the State rate under the new law.

The MASTER: Into and out of the State of Missouri.

Mr. KENNISH: Yes sir, rates into Iowa and into Chicago, that did not touch the State of Missouri.

Mr. MINNIS: May I say, in this connection, that what has been done in the Burlington case has not been done in this case. Mr. Crosby might have gone on for the Burlington Railroad and offered

a great deal of testimony that would entitle counsel in that case to combat it, but we have offered no such testimony in this case, and what was done in the Burlington case is not relevant to this
5924 case, unless your Honor ruled upon it, and it would be a matter which you had previously considered, and would not want to consider again. But, I submit, we are not bound by what the Burlington Company offered. They offered Mr. Sturgis as to the relative cost of two kinds of business, and he confessed that he was not an expert. We are not bound by what occurred in the Burlington case.

Mr. LADD: It has been testified to in this case by one of the Complainant's witnesses, that it costs more to do the State business per ton mile than it does to do the interstate business. While we are not prepared to admit that, to anything like the extent he testified to, still our contention is that any additional cost which may be sustained in doing the State business is made up, and more than made up by the increase in the local rates over the interstate rates; and it seems to me in view of that, that is one of the vital questions in the case. Not only the question of cost, but the question of revenue, because you must consider both before you consider the question of net earnings.

The MASTER: I have just stated that my recollection is that that was the theory upon which that evidence was admitted in the Burlington case.

Mr. LADD: Yes, but in this case Mr. Miller has testified that it costs two or three times as much to do State as interstate business. We say whatever the additional cost may be is more than met by the additional revenue which is derived from State over interstate traffic.

5925 The MASTER: I will hear evidence on this subject, but it does not occur to me that this is directed to that.

Mr. MINNIS: The tariffs would show the difference. That is the best evidence, I should think.

Mr. LADD: The actual transactions will show just as good as the tariffs. There is the man who paid the rates.

Mr. MINNIS: That introduces an entirely different question.

The MASTER: It would simply tend to show that there was a certain difference or percentum of difference, or no difference, as the case might be, as applied to the very sort of traffic with which this witness is familiar. If applicable at all, it would be applicable to all classes of freight, and the schedules themselves, or the compilation taken from the schedules, I would admit that. But simply to testify by word of mouth that the rates on a certain kind of freight, for instance, fruit trees, or nursery stock, are greater or less in one direction, possibly, through the State of Missouri than it was in another direction, where it did not pass through the State of Missourt, I could not admit that. It would open an inquiry here which we might pursue indefinitely.

Mr. KENNISH: It seems to me there has been a good deal of testimony, even in this case, that the company was losing money
5926 on State business and making money on interstate business. That indirectly involved a comparison of the rates, for the

same service, for State and interstate business, and it makes it legitimate, it seems to me, to make a comparison between the rates on State and interstate business.

The MASTER: There is no difference between the Court and counsel on that subject.

Mr. MINNIS: I thought the Court was to make those comparisons.

The MASTER: It is the manner in which you propose to make those comparisons.

Mr. KENNISH: Have you the schedules on interstate freight with you?

A. I have some States.

Mr. KENNISH: Do I understand the master has excluded all such evidence?

The MASTER: Not at all.

Mr. KENNISH:

Q. Then you may make the comparisons on certain rates, interstate as compared with State, giving the distance, class and so forth?

Mr. MINNIS: That is the question I objected to.

The MASTER: If I can make myself understood, the best evidence of those comparisons are the comparisons taken from the schedules themselves. In order to shorten that matter, I will permit you to show by this witness, of you may, that he has made those comparisons and offers a schedule, which is the result or directly exhibits the result of those comparisons.

Mr. KENNISH: I don't think he has made a schedule or
5927 has one prepared in form to offer as an exhibit.

The MASTER: Don't you think that would be a very much better way of getting at it?

Mr. KENNISH: Yes, your Honor, I presume so; but this witness just came down here yesterday, and we had no opportunity to confer with him before. He is not a regular railroad man, consequently he has not the data at hand.

The MASTER: I think that would be the proper way to get at it.

Mr. KENNISH:

Q. Mr. Sizemore, are you familiar with shipments of freight in carload and less than carload lots?

A. Fruit trees, mostly.

Q. You may state to the Master what you know, if anything, in regard to how freight is shipped in those two classes, carload and less than carloads, and the relative cost of each?

Mr. MINNIS: I submit he has not qualified himself as an expert to say anything about relative cost.

The MASTER: The objection is overruled.

A. In answer to that question I would state that carloads of trees are loaded or unloaded by the shipper, and they take a cheaper rate than less than carload. For instance, a carload of trees from——

Mr. MINNIS: That is objected to. He is going into his own transaction and introducing into this case what another company

has done on another road. He is not going to say what the Wabash Railroad Company did, but what the Nursery Company did
5928 with a different railroad. The question is not what the actual rates charged were, but what are the tariff rates, the established rates. That is what I understand they are trying to get at.

Mr. LADD: It seems to me Mr. Minnis is exceedingly technical this morning. Testimony has been introduced and witnesses have made speeches. No objection has been made. We wanted to get all the light we could on the subject.

Mr. KENNISH: Mr. Minnis had a witness testify as to what the reasons of other railroads were for charging less rates, without objection.

The MASTER: In this investigation there has been apparently little effort on the part of counsel, and I praise them for that, to limit the evidence or confine the evidence within the rules of the strict letter of the law concerning the investigation. Necessarily an investigation of this sort must take a wide range, and I have permitted a very wide range to be taken, usually without objection on the part of counsel. But there must, necessarily, be some limit, otherwise we are getting in a great mass of irrelevant and incompetent matter which burden the record and makes the final investigation from the record very onerous and laborious. But I think this evidence is entirely competent, and certainly is within the range taken heretofore. I overrule the objection, and the competency of the evidence can be passed upon later.

Mr. LADD: Your Honor has passed upon the motion, but
5929 I would like to make a suggestion which can apply to the case, generally. I understood the rule to be, in proceedings before a Master, as decided in a case before Judge Phillips, and decided by the Circuit Court of this Circuit, and by the Supreme Court of the United States, that all questions, although objected to, are to be answered, and they are to go into the record, so that the trial court, or the Supreme Court of the United States, or any other appellate court, may see what the answer of the witness is, and consider and decide it at the same time, whether it is competent, so it will not be necessary to send the case back to get the evidence. It all goes into the record, as I understand. All the decisions have decided that. There is a limitation to that rule, however, that where the evidence is so clearly incompetent that there could not be any question about it, then the Master should rule it out. But where there is any doubt, the practice is to let the evidence in.

The MASTER. I am very familiar with that line of decisions, Mr. Ladd. But there is another rule equally well established, in fact it falls within one of the expressed rules of equity practice prescribed by the Supreme Court. And that is, that it is the duty of the Master to direct the manner of the introduction of testimony before him.

It seems to be very clear that the conclusions to be drawn from a comparison of schedules would best *to* made by the intro-
5930 duction of a compilation taken from those schedules, rather than from a comparison by different witnesses while on the

stand. That is so clear in my own mind that I would feel perfectly empowered to direct the counsel to pursue that method.

Mr. MINNIS: That would give us an opportunity to verify it. We have to wait now until we get a transcript of the testimony.

The MASTER: The discussion has drifted aside from the question objected to.

That objection will be overruled.

Mr. KENNISH:

Q. Proceed, Mr. Sizemore.

A. A carload of trees from St. Louis to Louisiana would cost $18.00, loaded and unloaded by the shipper. A less than carload shipment amounting to 10,000 pounds would cost us $17.00. It would be loaded by the railroad company and unloaded by the railroad company into their freight house. If there should happen to be another less than carload shipment going along with that, if it weighed 10,000 pounds, we would pay $17.00 on that also, in the same carload.

Q. Go on and compare the difference, if any, in the shipment of carload lots of State freight and carload lots of interstate freight, giving the same comparison as to less than carload lots, in those two classes.

Mr. MINNIS: Do I understand the figures the witness gave as tariff rates, or what his company paid?

A. What we have paid. The rates I am naming I have the tariff for.

Mr. MINNIS: I think it would be well to understand
5931 whether that is the tariff rate or simply a transaction between his company and the other railroad company. I would like to be able to verify it if I can.

The MASTER: He spoke of it as the cost: I suppose he means the charge made by the railroad company to the company by which he is employed. That is the way I understood it.

A. On a less than carload shipment of trees, going from St. Louis to Kansas City, it would be 35 cents per hundred; take a 1000 pound shipment that would be $3.50 from St. Louis to Kansas City, by any road that goes there. On the same shipment going from St. Louis to San Francisco it would be $2.20 per hundred. It would go right out of here from St. Louis to Kansas City and they would give it to any line going out there. On the local shipment the State rates would be $3.50 per hundred. On a thousand pound shipment going to San Francisco, all lines get the same per cent, 11 per cent of that $2.20 rate.

In addition to that, the shipment that stopped at Kansas City would be unloaded in the freight house and the consignee would come and take it. On the shipment going to San Francisco, the railroads would unload it and stand the cost of transferring it to the connecting line. I don't know what that cost would be, but just from the general run, it would be about 50 cents, which would make the net cost they get out of the two shipments, $2.00, or a little less

for the interstate as against $3.50 out of the local shipment, going over the same road and the same route.

Q. And in the same car, did you say?

5932 A. Yes sir, if it happened to be loaded in the same car.

Q. What additional cost would there be to the railroad company on the State shipments, in the case you mentioned, as compared with interstate, or would there be any?

A. In the case I have just stated, the cost would be less on the State shipment. The railroad would load and unload both shipments. Then they are through with both shipments. The man comes and gets them. But on the interstate shipment they have to deliver it to the connecting line.

Q. You may explain as to the relative cost of less than carload freight State shipments and interstate shipments, generally; whether or not there is any increased cost in the handling of the interstate as compared with the State shipments?

A. I could not answer that question satisfactorily to myself, or the court either, I think, not being in the position the railroads are to know those things. But speaking from my——

Mr. MINNIS: That is objected to. We do not think the ruling of the court is authorizing the witness to give simply his conjecture. He says he knows nothing about it, but would venture his suggestion.

The MASTER: He has not said that he knew nothing about it.

Mr. MINNIS: Does he mean the cost to the shipper or to the railroad company? He has been testifying as to the cost to the shipper.

5933 Mr. KENNISH: He said expressly, that in the case of an interstate shipment the railroad would have to pay 50 cents cost of transferring from one company to the other.

Mr. MINNIS: He has not shown that he is qualified to speak of what the railroad company does. He has not stated that he had any knowledge or experience regarding these matters. While I do not want to be technical, that is not the object at all, but it appears to be a question that is an expert question. The courts have decided that. It is a question for people who will become familiar with it by virtue of long experience in the actual handling of the business. That is an expert. Now, it seems to me that reason would confine the testimony on that expert question to persons who have familiarity with and have superior knowledge upon that subject, and who have had opportunities for having superior knowledge upon that subject. This witness has not shown that he has had any experience in the operation of trains or railroads. He was a rate clerk for a while, and now he is a rate clerk in a nursery, but he has had no experience in the handling of the business.

Mr. KENNISH: The witness has said he was familiar with the manner in which freight was handled, both State and interstate.

The MASTER: The court is with you, Mr. Kennish.

Mr. MINNIS: I would like to examine him as to expertness.

The MASTER: You may cross examine the witness. He

5934 was proceeding to answer a question which the court permitted him to answer, when he was interrupted.

A. I was starting to say I would give what knowledge I had gained from my experience. Less than carload freight, loaded, say, at Louisiana, Missouri, for the different points, going to Chicago or Kansas City, or where it may be north of these, go locally to Hannibal——

Mr. MINNIS:

Q. On what road?
A. The Burlington.

Mr. MINNIS: That is objected to. This is not the Burlington case. We are getting into the record a lot of testimony which is offered, which relates entirely to another railroad.

The objection is overruled.

A. When it reaches that point, it is bunched in through cars, some going to Kansas City, some to Chicago, some to Minneapolis, in order to have through service, and reduce the cost to the railroad company. Local shipments leaving Louisiana, after reaching Hannibal, would receive the same service, that is those shipments destined to Kansas City or nearby territory, as the through shipments from Hannibal: Up to the first junction point I think it costs the railroad company more to handle a local shipment than it does a through shipment, but after reaching there I cannot see how it could cost them any more. That is my opinion.

5935 Q. Now, about carload freight, explain how that is handled in the matter of State freight as compared with interstate, and what extra expense, if any, the railroad companies have in the handling of State as compared with interstate carload freight. You might first state to the Master about how much carload freight your nursery company handles, annually?

A. We handle in the neighborhood of 450 to 500 carloads of trees, in all directions, in and out, and on a car of trees going from Louisiana, Missouri or St. Louis, we are on the St. Louis basis when it comes to Kansas City, we would pay $38.00 a car. On a car coming from or going to New York through Chicago, to or from Louisiana—I will speak of Danville, N. Y.—we pay 25 cents per hundred, either way, and the distance is 854 miles, I think.

Mr. MINNIS:

Q. In which direction?
A. It would be $11.00.

There is 5½ cents difference. It is higher from Dansville than it is from Kansas City to Louisiana.

Mr. MINNIS:

Q. From Kansas City to Louisiana it is 19½ cents?
A. Yes sir.

Mr. KENNISH:

Q. Can you give any other instances.

A. On a car of trees,—we get lots of them down here in St. Louis County, the Webber Nursery Company, and we pay 9 cents a hun-

dred from St. Louis to Louisiana. That is in carload lots. On a car coming from Knoxville, Tennessee, we would pay 42
5936 cents a hundred. That would divide, 30 cents up to New Albany, Indiana, and 12 cents from New Albany, Indiana to Louisiana, Missouri. The line from New Albany to St. Louis would get 70 per cent of that 12, and the line north of St. Louis would get 30 per cent.

Q. What is the distance between New Albany and Louisiana?

A. I don't know exactly, but I should judge it would be about 225 or 230 miles. I couldn't tell exactly without a guide.

Cross-examination.

By Mr. JAMES L. MINNIS:

Q. How old are you?

A. Thirty-five.

Q. Are you now manager of the Stark Brothers Nursery Company?

A. Traffic manager.

Q. How long have you been traffic manager?

A. Since 1898.

Q. Do your duties confine you to the town of Louisiana?

A. Yes sir.

Q. You are not out on the line of railway, are you?

A. No sir.

Q. How long have you been traffic manager of the Stark Nursery Company?

A. Since 1898.

Q. Prior to that you were clerk in the Burlington Railroad Company's office?

A. Yes sir.

5937 Q. For six years?

A. For nearly eight years, altogether.

Q. Six years at Louisiana?

A. Yes sir.

Q. In whose office were you there?

A. H. M. Modison, at that time.

Q. What were your duties when you began?

A. Learning telegraphing and the general run of duties that way.

Q. How long were you engaged on that?

A. About a year.

Q. Then what did you do?

A. Telegraphed for about ten months.

Q. Then what did you do?

A. In the freight office from that time up to the time I left.

Q. What did you do in the freight office when you first went there?

A. I commenced learning the tariff and rates.

Q. What do you mean by learning the tariffs? You mean going over the printed tariffs?

A. Yes sir.

Q. You were finding out what tariffs were?

A. Yes, sir and checking rates as far as my ability would permit.
Q. You had nothing to do with the operation of the road?
A. No sir.
Q. You never have had any experience with the operating of the railroad?
938 A. No sir.
Q. You have been confined simply to the office?
A. Yes sir.
Q. You speak about interstate traffic originating at St. Louis from Louisiana destined for San Francisco, and you say it has to be unloaded at Kansas City?
A. Yes sir.
Q. You tell the Master how you know that?
A. I stated a while ago—what I had reference to, if I may be allowed to state in answer to his question—providing it does not go on a through line, that is what I had reference to. For instance, if a shipment was taken out of St. Louis by the Wabash and routed by Kansas City, carried by the Santa Fe to Kansas City, being a less than carload shipment it would have to be unloaded.
Q. How do you know that?
A. From my experience as a railroad man.
Q. Have you ever been about Kansas City or accompanied any shipments there?
A. No sir.
Q. You do not know, as a matter of fact, whether it would be unloaded into another car or whether that car would be filled up and carried on, do you?
A. No sir.
Q. You have no knowledge about that matter at all, have you?
A. Just from our instructions and from what the agents there tell us.
Q. From what the agents tell you?
5939 A. Yes sir.
Q. You have no personal knowledge upon the subject at all, have you?
A. No personal knowledge.
Q. You have never had any personal experience with it?
A. No sir.
Q. You have undertaken to tell the Master what division of a given rate would be made between railroads?
A. Yes sir.
Q. You speak of a shipment from Knoxville, Tennessee; Do the tariffs show what division would be made by the railroads on that?
A. Yes sir.
Q. What tariffs?
A. The Southern Railway Company's tariff.
Q. Have you any tariff that shows any division between the railroads, as to how they divide the earnings of the entire shipment?
A. Not with me.
Q. You say there is no such thing?
A. I have one with the Southern Railroad Company.

Q. You have one?
A. Yes sir, that is the one I spoke of.
Q. You obtained from the Southern Railway a statement of a division made by it and its connection in making a through shipment?
A. Yes sir.
Q. But you know it does not appear upon the tariffs?
A. No sir.
5940 Q. So the divisions you speak about is simply one division that you have learned of, from the Southern Railroad Company?
A. Yes sir.
Q. You do not have any knowledge as to the divisions, generally, between railroad companies, do you?
A. I have a general knowledge. I cannot state what they are, of course.
Q. Where did you acquire any such general knowledge?
A. At Louisiana, Missouri.
Q. You know what the railroads contract with reference to each other, do you?
A. Yes sir.
Q. And you learned that when?
A. During my service there.
Q. How many years ago was that?
A. It was during the period from 1892 to 1896.
Q. You say the same divisions are made now as were made *there*?
A. No sir.
Q. You have no knowledge, then, at all, of what divisions are made now, generally, between railroads, have you?
A. No sir.
Q. As to what would actually be done with a shipment originating at a point in Missouri, destined to San Francisco, you have no actual knowledge, have you?
A. Yes sir. I haven't it with me, but I have the actual knowledge.
5941 Q. Did you ever accompany a shipment?
A. I thought you were speaking about the rate.
Q. No sir, I am talking about the handling of the stuff?
A. No sir.
Q. When you spoke of cost a while ago, for instance, that it cost $17.00 for a less than carload lot and $10.00 for carload lots, did you mean the cost to the shipper or the cost to the railroad company?
A. I did not state it cost $10.00 for a carload and $17.00 for less than carload lots.
Q. What was your statement?
A. $18.00 for carload and $17.00 for less than carload.
Q. That is the cost to the shipper, isn't it?
A. Yes sir.
Q. That is the tariff?
A. Yes sir.

Q. You don't know how much coal an engine burns in hauling any given train, do you?
A. No sir.
Q. You don't know how much switching it does?
A. No sir.
Q. You have no knowledge upon any of those subjects, have you?
A. No sir.
Q. You say that freight that goes to Hannibal on the Burlington is local?
A. Yes sir.
Q. You don't know anything about the other railroads?
A. I know about the C. & A. and the Burlington, the two
5942 we deal with.
Q. What about the Wabash? It does not go into Louisiana at all, does it?
A. No sir.
Q. You have no knowledge as to how it handles its interstate business by way of Hannibal, do you?
A. No sir.
Q. You say that the rate from Louisiana to Dansville, N. Y., between those points, is 25 cents per hundred?
A. Yes sir.
Q. Is that what your company was charged, or is that scheduled by the road?
A. It is the tariff rate.
Q. And you say from Kansas City to Louisiana the rate is 19½ cents?
A. Yes sir.
Q. Is that the tariff rate, or the rate actually charged your company?
A. The tariff rate and what was charged us.
Q. Where did you get that from, the Burlington rate sheets?
A. Yes sir.
Q. You got that from the Burlington rate sheets?
A. Yes sir.

Redirect examination.

By Mr. KENNISH:

Q. Do you know whether the Wabash tariff from the Mississippi River points to Missouri River points is the same on that
5943 same commodity you have spoken of?

Mr. MINNIS: Objected to as the tariffs will speak for themselves. Objection overruled.

A. They are the same and I have the tariffs. I also have the Wabash tariff, but I haven't it with me.

Mr. KENNISH:

Q. Mr. Minnis asked you about how you acquired your knowledge as to the division of the rate between the different railroad companies interested in the interstate shipments: State to the Master

how you got that knowledge: Whether you talked to representatives of the railroad, or whether you got it from their published tariff sheets, or how you got that knowledge?

A. All billing offices are furnished by the general freight offices with a percentage sheet. Louisiana had one. For instance, destined to certain points east they would get a certain per cent, maybe, 50, 60, 40, it would depend upon what point it was. They had different percentages. Of course, those sheets vary. They still have them, but of course I am not familiar with what they are now.

Q. I want to ask you further in regard to the manner of handling less than carload freight at terminals such as Kansas City and St. Louis: Mr. Minnis asked you if you had any personal knowledge as to how the shipments you referred to would be handled at Kansas City: You may state whether or not in your service as bill clerk for the railroad company at St. Louis you acquired knowledge as to how less than carload freight was handled at the large terminals?

5944 A. I never had much experience along that line. I know the plan that is followed. Shipments going out of St. Louis for Kansas City and points in and east of there are always loaded in Kansas City cars, to save billing. That is adopted at all other points. For instance, if Chicago is loading a lot of stuff destined for Louisiana and points south of there, Clarksville and Old Monroe, and so on, they would load that car to Louisiana and go on from there local. As nearly as possible, local shipments are loaded in station order, so as to save as much handling as possible.

Recross-examination.

By Mr. MINNIS:

Q. How long has it been since you have seen a division sheet?

A. Possibly five years.

Q. You don't know what the divisions are now?

A. No sir.

Q. You had a little experience, you say, when you were a clerk here in the Burlington office, in regard to how shipments were handled?

A. Yes sir.

5945 A. P. TALIAFERRO, a witness of lawful age, being duly produced, sworn, and examined on the part of the defendants, testified as follows:

Direct examination.

By Mr. S. B. LADD:

Q. Please state your name?

A. A. P. Taliaferro.

Q. Where do you reside?

A. New York City.

Q. Where have you been located temporarily for the last few months?

A. In St. Louis, for nearly seven months.
Q. What is your occupation?
A. I am employed by Haskins and Sells, certified public accountants, of New York, as an accountant.
Q. What is the connection of Haskins and Sells with this litigation?
A. Haskins and Sells were employed by the State to examine the figures submitted by the Wabash Railroad Company in connection with the Maximum Freight Rate matter.
Q. You say they are certified public accountants. Where does that firm of Haskins and Sells have offices, if they have any, besides in New York?
A. There is an office in Pittsburg, one in Cleveland, in Chicago, in St. Louis and London, England.
Q. What, in a general way, is the nature of their business?
A. They make investigations and examinations of accounts of railroads, manufacturing plants—I might say of every kind
5946 of business and institution that keeps books.
Q. How long have you been in St. Louis, personally, Mr. Taliaferro?
A. I arrived in St. Louis on June 18, 1906.
Q. You were sent here by your firm?
A. Yes sir.
Q. For what purpose?
A. For the purpose of taking the figures submitted by the Wabash Railroad Company and going into their books and records, and getting together the matter from which a report could be prepared.
Q. For the purposes of this litigation?
A. Yes sir.
Q. You have also, then, haven't you, been engaged in a similar examination of the books and papers of the Missouri Pacific Railroad Company?
A. We have done some work, quite a good deal of work, there. It has related principally, however, to the records and sheets and papers from which the statements submitted to the State were made, and not to the general books.
Q. Has your entire time and attention been devoted to that work since you came here in June?
A. To the Maximum Freight Rate matter, yes sir.
Q. Have you had assistants?
A. Yes sir.
Q. How many have you had?
A. The number of men has varied from two to probably eight.

The MASTER:

Q. Including the services in both offices?
5947 A. Yes sir.

Mr. LADD:

Q. And this subject for examination has been under your immediate supervision, the details of it, have they?
A. Yes sir.

Q. You may state to the court what experience you have had in connection with railroads and as an employee of railroad companies and as an accountant: Begin at the beginning.

A. I started in 1886 in the railroad shops at Roanoke, Virginia. I was in the passenger car shops for six months.

Q. For what company?

A. It was called the Roanoke Machine Works, but was actually a part of the Norfolk & Western Railway. I worked around the shops, handled lumber, went to the storehouse, helped pack the boxes of the new freight cars—that was the first work I did, by the way: I got a little off here—that was the first work I did before I went into the passenger shops. I made myself generally useful around the car shops.

Then I went into the office of the Master Mechanic as messenger boy, and from there to the office of the superintendent of Motive Power.

Mr. MINNIS:

Q. Give the dates, please.

A. That was in October, 1886.

Q. In 1886 you went into the shops?

A. I stayed in the shops from May until October, 1886.

I think probably I was in the Master Mechanic's office about a year, and then I went to the office of the Superintendent of
5948 Motive Power as messenger. I was there probably a year and a half. Then I went into the office of the storekeeper, as a junior clerk, and I stayed there about a year, I think. I was taken back into the office of the superintendent of Motive Power, and was his private secretary and acting chief clerk for a part of the time. Altogether I was in the Motive Power Department about five years.

The Superintendent of Motive Power left the Norfolk & Western R. R., and he thought it would be advisable for me to go with the Vice-President in charge of traffic, I did so.

Q. The Vice-President of the Norfolk & Western?

A. Yes sir. That was in 1891.

Q. In what capacity were you with the Vice-President?

A. Private Secretary, I was called.

Q. Proceed.

A. In February 1893, the Vice-President was made Second Vice-President of the Philadelphia and Reading Railway, in charge of traffic, and took me to Philadelphia with him. The organization there was complete as to the traffic offices, and he had nobody else in his office but me.

Q. You say he was traffic manager?

A. He was Second Vice-President, in charge of traffic.

He stayed with the Reading Road about three months. The lease of the Lehigh Valley to the Reading was abrogated, after a legal fight. I was asked to remain, and stayed on as secretary to the general freight agent. Then, on account of my family
5949 living in Virginia, I determined to go back to the Norfolk & Western R. R., which I did in 1894. I worked as secretary

to the general freight agent for a while, I don't remember how long, and then I was given a rate desk and I quoted rates for about a year and a half, made up tariffs, checked claims, etc. Then in 1893 I went to Northern Virginia to Harrisonburg, Virginia, as "all-around man" on the Chesapeake & Western R. R., a small road, about 27 miles long. In about a year and a half I was made superintendent of that road and had charge of it and was with it altogether about four years. During probably two and a half years of that time I was engaged off and on, on work for Haskins & Sells, as both Mr. Haskins and Mr. Sells were interested in the road. My work was principally on railroad auditing and examinations.

In 1901 I went to Southwest Virginia as general superintendent of the Virginia-Carolina Railroad. I was given the same title on the Beaver Dam Railroad.

Q. How long were those roads, short roads, weren't they?

A. Including the logging roads, about 35 miles. I stayed there about a year and then went to New York with the Houston Oil Company of Texas, a company which has been organized in Texas, and which had bought a million acres of timberland and owned a great deal of territory which was considered oil land.

In the fall of 1902 I went to Texas as Auditor and Treasurer of the Company and remained in Texas for three years, in that position. Then on account of the health of my family I had to leave Texas and went to New York with Haskins & Sells. That was just a little over a year ago.

Q. And you have been with them ever since?

A. Yes sir.

Q. When you were Secretary to the Vice-President of the Norfolk & Western, and afterwards held the same position under him when he was Vice-President and Traffic Manager of the Reading Road, did you have occasion to go with him to meetings of Traffic Managers, where rates were discussed and things of that kind?

A. I did while he was with the Norfolk & Western. While he was with the Reading I was practically his chief clerk and was in the office all the time.

Q. How many meetings of that kind do you suppose he attended with traffic managers of other railroads, and did you attend and listen to their discussions?

A. I think I said in the Burlington case, 50 meetings. That is purely a guess. But I was at many meetings and I took occasion to be in the meeting room and learn all I could.

Q. From the experience you have detailed, do you think you obtained a knowledge of the system of making railroad rates?

A. Yes sir.

Q. You were Auditor and Accountant, I think you said, of this Houston Oil Company, for two or three years, and you have been employed by Haskins & Sells for a year or more: Did you have experience in auditing and accounting aside from that?

A. I had charge of the accounts of the small railroads I was connected with. I did everything on those roads. I ran
5951 the engines, walked the track, inspected bridges, handled freight, and kept the books. I might say that the books of a

small railroad are just like the books of a big one. They are not as extensive, of course, but the same accounts of earnings and expenses and the details of the expenses have to be kept, in order that the report to the Interstate Commerce Commission may be prepared at the end of the fiscal year.

The MASTER:

Q. Were reports made by the small roads to which you have alluded, to the Interstate Commerce Commission after the law was passed in 1887?

A. Yes sir. Even a road that was wholly within the State was required to make a report to the Interstate Commerce Commission, on the theory that they handled interstate freight. We also made reports to the State commission.

Mr. LADD:

Q. Do you remember about the date when the Wabash statement which has been introduced in evidence in this case as Exhibit 5, was turned over to you for examination, this first statement that they filed?

A. My recollection is that I got it in Jefferson City on June 19, 1906.

Q. And you proceeded, at once, or as soon as practicable, to examine this statement and the sources from which it was made up, did you?

A. Yes sir, I think I began work in the Wabash offices about the first of July. In the meantime I was studying the law and the rates that had been provided by the statute, and getting all the
5952 information I could get that I thought would be useful to me in the examination.

Q. You have been admitted to the offices of the Auditor of the Wabash Railroad for that purpose, you and your associates?

A. Yes sir, and very nicely treated.

Q. Did you find on examination of that statement which was first handed over to you on June 19, 1906, that it was a correct statement of the earnings and expenses of the Wabash Railroad Company for the years 1904 and 1905, in your opinion?

A. If I may speak generally about the statement, before going into detail, I would say this: That we checked the sheets, for several months, on which purely State revenue was drawn off. We found a good many errors in that work, none that were anything more than clerical errors.

As to the interstate earnings, we thought Missouri was not allowed all that it was entitled to, although it had what it was entitled to on the basis outlined for the division of those earnings, except in one or two instances where we found the percentages had been incorrectly used. The examination of the freight earnings credited to the State we thought were fair, although we could not go into the details on all those credits.

The operating expenses we thought were very high. We found, for instance, that although the Wabash mileage in Missouri
5953 was only 25.98 per cent of the mileage of the system that Missouri had been charged with something over 30, 30 and

a fraction, per cent of the maintenance of way and structures expenses in those two years. The operating expenses charged to Missouri in 1904 and 1905 were based on Missouri's proportion of the operating expenses of the system for the last half of 1905. To that extent they were, of course, not actual figures.

Then we found that although in 1904 what had been reported as freight earnings (miscellaneous freight earnings not having been considered as freight earnings) were only about 40 per cent of the gross earnings in the State for that year, the freight business had been charged with 65 per cent of the total operating expenses.

The same thing was done in 1905.

Q. Speaking generally about the mistakes made in these statements, were they few or numerous?

A. There were quite a number.

Q. What do you mean by "quite a number"? How many of them were there, important and unimportant, say, for June and October, 1905?

Mr. MINNIS: I submit that is not fair. Let him state what he found.

Mr. LADD: I must lead up to that.

Mr. MINNIS: That merely is to cover up a statement that ought never to have been made by Mr. Ladd, when he examined Mr. Tobin. If he found mistakes, the Master must be the judge.

5954 Mr. LADD: It goes to the degree of care with which the statements were made up.

Mr. MINNIS: Let him state what he found.

Mr. LADD: I am going to let you know what we found. You will get enough of it before we get through.

The MASTER: We will have all we can possibly do to devote our time to the trial of the issues in this case and have none to waste on other matters.

That objection will be overruled.

Mr. LADD:

Q. How many mistakes did you find, say, in June and October, 1905, important and unimportant, clerical and otherwise?

A. In our report to the State about the first of September——

Q. Don't talk about your report to the State. I do not want that referred to.

A. Excuse me. We found in checking the sheets, showing the State freight earnings for June 1905, errors, including those of every description, 1253.

Q. And how many for October, 1905?

A. In October, 1351.

Q. Many of those, I suppose, were clerical mistakes?

A. Practically all of them, I think were purely clerical mistakes.

Q. I wish you would look at Complainant's Exhibit 4, for the year 1905: That shows interstate freight earnings, $717,221.78: Is that correct in your judgment?

A. We have used that figure as being correct.

Q. Is it correct?

5955 A. I don't think it is correct to a cent or a dollar. But in view of the changes, the difference between this statement and the original statement filed as Exhibit 5, I would say this figure is correct.

Q. Does that include all the intrastate freight earnings for that year made by the company in Missouri?

A. It does not include the miscellaneous freight earnings, switching, etc.

Q. That is what I want to get at. What are they called. You speak of miscellaneous freight earnings: Of what do they consist?

A. What the company calls switching, car service, storage, and so forth.

Q. What did the switching of freight amount to for that year?

A. According to Exhibit 6, $70,358.99.

Q. That is exhibit 6 already in evidence in the case?

A. Yes sir.

Q. Was that Exhibit 6 prepared by the Auditor or some of his assistants?

A. Yes sir.

Q. $70,358.99?

A. Yes sir.

Q. Now, what did the car service amount to? That is another expression for demurrage, isn't it?

A. Yes sir. The amount if $5,700.93.

Q. And the storage?

A. Storage, etc., $962.21.

5956 Q. You say that the $717,221.68 returned as the intrastate freight earnings by Exhibit 4 does not include those items: Is that right?

A. That is correct.

Q. Should they or should they not be included, in your judgment?

A. I think they should be included.

Q. Why?

A. Because they are earnings which relate to the freight business. They are called miscellaneous freight earnings, and the expense of earning them is charged to freight expenses.

Q. They are called miscellaneous freight earnings by the company?

A. Yes sir.

Q. By Exhibit 6, do you mean?

A. Yes sir.

Q. And you say Exhibit 6 was prepared by the company?

A. Yes sir.

Q. Now, referring again to Exhibit 6, $70,358.99 is revenue received for the movement of freight, is it?

A. A portion of it is.

Q. What is the rest of it?

A. All of it is switching freight or freight cars, except possibly the occasional movement of a passenger car. But a portion of it is switching done on way bills within the switching limits of St. Louis.

Q. It is entitled here in Exhibit 6 as "Miscellaneous freight earnings"?

A. Yes sir.

5957 Q. Now, take the next item on Exhibit 4 which purports to state the interstate freight earnings for 1905 amounting to $2,057,787.58: Then look at Exhibit 6 from which it appears, under the head of "Miscellaneous freight earnings," that the interstate earnings for switching were $173,962.38; is that last amount included in the $2,057,787.58?

A. No sir.

Q. Is the next item the car service and demurrage $16,939.77?

A. No sir.

Q. Is the next item, storage, etc., $2,264.84?

A. No sir.

Q. Are any of those items of miscellaneous freight earnings included in the interstate freight earnings as shown by Exhibit 4?

A. No sir.

Q. Do you think they should be?

A. Yes sir.

Q. Mr. Taliaferro, I will ask you whether you and your assistants have prepared a statement of Missouri's proportion of the freight earnings of the Missouri Pacific Railway Company, tons one mile, etc., for the month of October, 1905?

A. Yes sir.

Q. How was that? How did you go to work to do it?

A. We used the freight journals of the Missouri Pacific Railroad Company, which show all of the way bills received at each station.

5958 Where there was no doubt about whether a shipment was State or interstate, we used the figures shown in these journals, for weight and revenue, referring as often to the copies of way bills as necessary to know that we were getting the figures down correctly. Where there was any doubt about a shipment being State or interstate we always went to the way bills. In that way we classified it and then we entered it on our sheets under one of four heads: Either "Interstate carload," "interstate less than carload," "State carload," or "State less than carload."

We worked out the tons one mile on the State freight and after we had divided the interstate revenue, allowing Missouri its proper proportion on a road mileage basis, we worked out the tons one mile of the interstate revenue, and we made up various percentages, showing the percentage of tons of each of the total tons, the revenue on each to the total revenue; tons one mile of each to the total tons one mile the average amount received per ton; the average amount received per ton per mile; the average distance hauled. There may be other figures that I do not recall now.

Q. I want to read to you some testimony given by Mr. Miller in this case, Mr. Miller being the General Manager of the Wabash Railroad company: "Question: What is the purpose in making the calculation of the rate per ton mile both of revenue and cost; That involves great labor, doesn't it, making those calculations?

A. Yes sir.

5959 Mr. MINNIS: Objected to for two reasons: I do not wish to interrupt, but I want to object to everything I think is incompetent. That is resorting to a method I never heard of before, reading to one witness the testimony of another witness. It does not seem to me that is a proper way to examine a witness. What relevancy has that, or what right has counsel to read the testimony of one witness to another?

The objection is overruled.

(Counsel continues to read testimony as follows:)

5960 Q. I will ask you if you agree with that?

A. Yes sir, absolutely.

Q. These statements as to the operation of the Missouri Pacific Railroad for the month of October, which you prepared after an examination of their way bills, records and other necessary papers: In this examination did you deal with all the freight carried by the Missouri Pacific Railroad which touched the rails of the Missouri part of the system, irrespective of the point of shipment or the point of destination?

A. Yes sir, I believe that our statement includes every pound of such freight.

Q. You divided that up into interstate freight and State freight: Were you enabled to do that from the material in your hands?

A. Yes sir.

Q. And the number of tons of each?

A. Yes sir.

Q. You divided each class of freight, interstate and State, into carload and less than carload lots?

A. Yes sir.

Q. Does the statement which you prepared show the result of that examination in those respects?

A. Yes sir.

Q. And it is accurate, is it?

A. Yes sir.

Q. That information was afforded to you, was it, by the papers and books to which you had access?

A. Yes sir.

5961 Q. What was the total number of tons, both State and interstate which was handled in any way in Missouri, during that period?

Mr. MINNIS: Objected to, for the reason that the statement has no relevancy to the case. It is a Missouri Pacific statement; and we have no means, and this court has no power to enable us to examine the data he examined, in order that we may cross examine him. This relates to an entirely different case, and relates to an examination of records to which we have not access, and to which the court cannot give us access. It could have no bearing on the case. The witness cannot be cross examined upon the proposition, and for that reason it ought not to be offered. It does not tend to prove anything in the Wabash case, and more than that, it cannot be decided by the rule of testimony, which in all instances admit of cross examination.

Mr. LADD: All those things were admitted in the Burlington case. Mr. Clardy has a copy of this statement, Counsel for the Missouri Pacific. The Missouri Pacific case is to be tried immediately. These suits are brought all upon the same basis, by the same Counsel, Mr. Hagerman, for all the Railroad Companies, and there is no difficulty in Mr. Minnis, if he wants it, obtaining accress to the Missouri Pacific accounts, to verify this. None whatever. We propose to follow this up by showing what the result would be, by showing that the rates on the Wabash are substantially the same as they are on the Missouri Pacific, in the State of Missouri, for
5962 the same service. We propose to show what the result would be, on different theories, of the Wabash business, as shown by their own statement, whether a profit or a loss. It throws some light on the question.

Mr. MINNIS: I add to my objection this statement: That they have had every facility to prepare a statement showing the actual conditions in the Wabash case. Under such circumstances as these, that is the best evidence. This is incompetent and irrelevant.

The MASTER: An investigation of this sort, as I said a few moments ago, must take an unusually broad range, I shall therefore permit the evidence to be introduced. Now, of course, two questions will arise upon that evidence when introduced: The first question will be as to the correctness of the conclusions reached by these experts, upon the exhibits shown. The second, suppose their conclusions to be correct in respect to the Missouri Pacific, whether they will at all bind the Wabash, a different complainant in this litigation. But to say that it is absolutely incompetent, when I may assume that evidence of some character will be introduced to show similar conditions between the two roads, I am not prepared to say, inasmuch as similar testimony was admitted in the Burlington case, and I presume probably may be in all these cases that may be tried under this present reference, I shall admit this character of testimony, under certain restrictions.

5963 As I remarked at Kansas City, when the question came up in the Burlington case, I do not expect to try but one case at a time. I do not expect to lug into one case the testimony given in another case; and I do not want counsel to understand that in permitting this class of testimony it is permitted without any limit to the range or scope, so as to justify the introduction of all of the testimony in each or all of the cases, or any one or more of them. But, under such general restrictions I shall permit the introduction of this testimony.

Mr. LADD: Without spending any unnecessary time, I would like to say to Your Honor that Mr. Clardy was furnished with a copy of this statement, I should think a month ago. Mr. Hagerman, special counsel in all these cases, and Judge Spencer, have had a copy of substantially the same statements, for two months.

The MASTER: The weight to be given to the testimony, and the conclusions to be drawn from this class of testimony, are questions entirely of a different matter now. We are not passing upon those

questions now. This is simply a question of competency or incompetency, and I am inclined to admit them under those restrictions.

Mr. MINNIS: I object because I think they are incompetent. I will have no opportunity to cross examine in regard to them. The statement of counsel about Mr. Hagerman and Colonel Clardy is extraneous. I have been conducting this case solely and exclusively.

Mr. LADD: Mr. Hagerman's name is signed to the Bill.

5964 Mr. MINNIS: The question of taking this testimony has been left entirely to me and what I should determine. Mr. Hagerman is of counsel, of course, but if he would be relied upon as to whether something should be or should not be admitted, I do not want that so understood.

At this point the usual hour for recess having arrived, recess was taken until 2 o'clock P. M.

After recess the following proceedings were had:

Mr. LADD:

Q. What was the total number of tons of interstate freight in carload lots handled by the Missouri Pacific Railroad during that period?

A. 442,261 tons.

Q. How much was interstate less than carload?

A. 17,240 tons.

Q. What was the total interstate in tons?

A. 445,501 tons.

Q. How much was State in carload lots?

A. 141,640 tons.

Q. How much was State less than carload lots?

A. 9,393 tons.

Q. How much was the total State in tons?

A. 151,033.

Q. What was the total of State and interstate?

A. 610,534 tons.

Q. What was the total in carload lots?

A. 583,901 tons.

Q. And the total less than carloads?

5965 A. 26,633 tons.

Q. I would like to know whether I am right about it, that these are the actual figures obtained from the way bills: They show the weight and show whether it is State or interstate freight, and whether in carload or less than carload lots?

A. Yes sir, the way bills and freight journals.

The MASTER:

Q. In other words, as I understand it, the testimony which you are now adducing has been compiled from original sources in the Missouri Pacific office?

A. Yes sir.

Mr. LADD:

Q. Look at item 8 in the second column of the statement you

have before you, and which I will offer in evidence presently: What was the percentage of the total tonnage in carload lots?

A. 95.64 per cent.

Q. And of less than carloads?

A. 4.36 per cent.

Mr. LADD: I will offer in evidence this statement.

Same is marked "Defendant's Exhibit 19."

The statement referred to is in the words and figures following, to-wit:

5966 Mr. LADD:

Q. Does column three of Exhibit 19 show the revenue from these different classes of freight?

A. Yes sir.

Q. Does column four show the percentage of the total revenue which each class of freight earned?

A. Yes sir.

Q. On carload interstate freight alone what was the average amount received by the company per ton for its service?

A. 69.17 cents.

Q. That is irrespective, is it, of the distance hauled?

A. Yes sir, that is the average amount received for each ton.

Q. That is, you take the number of tons of carload freight
5967 and divide it into the total revenue of carload freight, and it produces 69.17 cents for each ton: Is that it?

A. Yes sir.

The MASTER: In what column is that shown?

Mr. LADD: Column five, headed "Average amount received per ton."

Q. That is the interstate carload freight?

A. Yes sir, interstate carload freight.

Q. Right at that point I will ask you, in the case of interstate freight of all kinds, upon what basis of apportionment in this statement is Missouri's share of the total revenue from any particular interstate shipment determined?

A. It is divided on a road mileage basis.

Q. On a mileage basis?

A. Yes sir.

Q. Is that the method which the Missouri Pacific people pursued in making their statements in the case pending here?

A. We were so informed when we started in to make this statement,—and we would have further investigated it before we finished our work at the Missouri Pacific,—that they used this method in making up their figures.

Mr. MINNIS: That is, they find the revenue from interstate business transacted in Missouri by dividing the entire haul on the mileage basis, and apportion to Missouri its proportion?

A. Yes, sir, if a shipment crosses the line. That is part of the explanation. There might be interstate business received
5968 at St. Louis, stopping in the State, and then there would not be any necessity for any division. But if it crossed a State

line, then we gave the revenue to Missouri on the basis of the proportion of Missouri's mileage to the entire road mileage.

Mr. LADD:

Q. And that is the system that was pursued by the Missouri Pacific themselves, you were so informed?

A. Yes sir.

Q. Was that system pursued by the Burlington people?

A. We did not examine their books.

Q. I know that but——

A. That is my understanding, yes sir.

Q. What was the average amount received per ton on the interstate less than carload lots?

A. $4,1647.

Q. What was the average amount received per ton on all the interstate freight, both carload and less than carload?

A. 82.20 cents.

Q. What was the amount received per ton on State carload freight?

A. 58.47 cents.

Q. What was the amount as shown in the same column under item five, per ton, received by the company for the State freight less than carload lots?

A. $5,1125.

Q. What was the average amount received per ton on all the State freight, both carload and less than carload?

A. 86.63 cents.

5969 Q. It appears here that the Missouri Pacific Company received, in column five, item one, 69.17 cents on an average for hauling each ton of carload interstate freight, and 58.47 cents per ton for hauling each ton of carload State freight. Now, look at the last column of this statement and tell the court, if you will, what was the average length of haul of the interstate carload freight?

A. 104 miles.

Q. What was the average length of haul of the State carload freight?

A. 48 miles.

Q. That is less than one half?

A. Yes sir.

Q. It appears from column five that the average amount received per ton on the interstate less than carload freight was $4.16 and a fraction, and on the State less than carload freight $5.11 and a fraction. Look at the last column and state what was the average length of haul of that class of interstate freight?

A. The interstate less than carload freight was hauled on an average 148 miles.

Q. And the State less than carload freight was hauled how far?

A. 114 miles.

Q. I notice that column number six is headed "Number of tons one mile": How is the number of tons one mile reached?

A. That is reached by multiplying the number of tons
5970 by the number of miles hauled, in every case where the distance hauled differed, and adding the result of all those computations together.

Q. Here is one ton of freight hauled fifty miles: Now, that would make fifty tons, would it?

A. Fifty tons one mile.

Q. One ton of freight is hauled fifty miles and that makes fifty ton miles, doesn't it?

A. Yes sir.

Q. Another ton of freight is hauled 100 miles: That makes 100 ton miles; Is that right?

A. Yes sir.

Q. And if that is all the freight there was, you would add those two together and say that the total number of ton miles was 150 ton miles: Is that the way you reach it?

A. Yes sir.

Q. That is to say, the weight of each shipment of freight is multiplied by the number of miles that particular shipment is carried, and the results of all those different multiplications on the different shipments are added together, and in that way you reach the total number of ton miles: Is that right?

A. Yes sir.

Q. And that is the way you did it in this case?

A. Yes sir.

Q. Does column number 6 under the head of "Number of tons one mile" show the number of ton miles of each class of freight, under those different numbered items?

5971 A. Yes sir.

Q. And column 7 shows the percentage, does it, of total ton miles attaching to each class of freight?

A. Yes sir.

Q. Please look at column number 8 under the heading, "Average amount received per ton mile, in cents": How did you arrive at that? Take the case which appears under item number one, carload interstate freight: How do you reach the average amount received per ton mile for that class of freight?

A. That result is reached by dividing the gross revenue on the interstate carload freight by the number of tons one mile.

Q. That is to say, you divide the amount shown at the head of the third column $305,905.31 by the amount shown at the head of the sixth column 45,884,346 ton miles?

A. Yes sir.

Q. And in that way you reach the figures at the head of column number 8 headed "Average amount received per ton mile": Is that it?

A. Yes sir.

Q. What was the average amount received per ton mile for interstate carload freight?

A. 6.667 mills.

Q. It is pretty close to six and two-thirds mills per ton mile?

A. Yes sir.

Q. What was the average amount received per ton mile for the less than carload freight, interstate?

5972 A. 2.8032 cents.

Q. What was the average amount per ton mile received

on the total interstate freight, including carload and less than carload, as shown in the eighth column under item 3?

A. 7.796 mills.

Q. What was the average amount received per ton mile for State carload freight mentioned in item 4?

A. 1.2170 cents.

Q. How much for the State less than carload freight in item 5?

A. 4.4963 cents.

Q. How much for the total State?

A. 1.6619 cents.

Q. In the same column under item 7 you show total State and interstate, do you?

A. Yes sir.

Q. The last column under the head of "Average length of haul, in miles" shows what it purports to: That has been figured out accurately, has it?

A. Yes sir, it shows the average length of haul of the various classes of freight.

Q. To illustrate that, take interstate carload freight under item one: How do you reach the average length of haul?

A. By dividing the number of tons one mile, in column six, by the number of tons in column one.

The MASTER: Let me see if I understand correctly? the figures in this 9th. column, the average length of haul in miles, under the items 4 and 5; Is it true that the average ton of State freight in less than carload lots moved twice or more than twice as far as the
5973 average ton on carload lots?

A. Yes sir.

Q. The average length of haul of the carload State freight would be 48 miles?

A. Yes sir.

Q. And the average length of haul of State freight in less than carload lots would be 114 miles?

A. Yes sir.

Q. That is correct, is it?

A. Yes sir.

Mr. LADD:

Q. That suggests to me another question of the same kind: Item one, in the last column, shows the average haul of interstate carload freight to be 104 miles, and of interstate less than carload freight 148 miles: Is that so?

A. Yes sir.

Q. So the same situation, the said difference, appeared in both State and interstate freight, but in a lesser degree in the interstate freight?

A. Yes sir.

The MASTER: It seemed to me a little surprising, at first impression, that the movement of freight that is in less than carload lots would move more than double in the one case and one-third more in the other, than tons of freight in carload lots.

Mr. LADD:

Q. It is suggested to me to ask you—I do not know whether there is any way to account for it—but how do you account for it?

A. My idea is that the carload business is made up largely
5974 of crops moving to the markets, and they seek the nearest market. That is just a general proposition. Whereas every big city, every jobbing place, is reaching out as far as it can for the trade of all the smaller places; and shipping out the goods it sells in less than carload lots.

Q. You think that is one explanation of it?

A. I think that is the explanation of it, that is my idea of the explanation of it.

Q. Look at column 2 of this statement and state to the court what proportion of the total tonnage the interstate tonnage was?

A. 75.26 per cent.

Q. And the State tonnage shown in the same column is how much?

A. 24.74 per cent.

Q. Look at column 7, what was the percentage of total interstate ton miles?

A. 86.02.

Q. What was the percentage of the total State ton miles?

A. 13.98.

Q. It appears from that, then,—or does it appear from that—I don't know whether I am right or not—that interstate freight on the average was hauled further than the State freight: Is that what that means?

A. Yes sir.

Q. When figured on the basis of total ton miles, what percentage did the State freight bear to the total freight?

A. 13.98.

Q. About one-seventh of the whole?

5975 A. Yes sir, a little over one-seventh.

Q. At the foot of that statement, numbers 2 to 16, inclusive, I see there has been shown ratios of revenue per ton per mile on different classes of freight. Have those been correctly calculated, Mr. Taliaferro, do you think?

A. Yes sir.

Mr. MINNIS: Without interrupting the progress of this case here, I have made inquiry about the possibility of having an opportunity of examining this statement—of course I assume Your Honor does not want an ex parte statement made, and of course we cannot cross examine without going through and making up that statement. When this witness is done I will have to ask an adjournment, and according to the estimate of the Missouri Pacific people it will take three months to prepare this statement. Of course your Honor would not expect us to rest on merely the ex parte statement of this witness, when I could not know and do not know anything about it except what this witness says. The Missouri Pacific people say that they have never received a copy of it and do not know anything

about its correctness. It seems to me if the statement is to be used as evidence we are entitled to either verify it or disregard it. I thought I had better speak of it now.

The MASTER: You shall have reasonable opportunity to prepare yourself for cross-examination, Mr. Minnis.

Mr. LADD:

Q. It appears from column 5 that the amount received
5976 per ton from the interstate freight was 82.20?

A. Yes sir.

Q. And from the State was 86.63: Is that right?

A. Yes sir.

Q. While the haul of the interstate was 105 miles and the haul of the State was 52 miles: Is that right?

A. Yes sir, the average haul.

The MASTER: Has there been prepared by your experts, Mr. Ladd, a similar table in respect to the Wabash Company?

Mr. LADD: No sir, not similar to this. We have not had time to do it. While they were at work at the Missouri Pacific, you know we introduced in the Burlington case this same statement, although not quite completed. It did not cover all the stations. This statement covers all the stations. We simply have not had time to do it on the Wabash.

The MASTER: Just what weight may be expected to be given to this class of testimony, or just what weight shall be given to it, is at present somewhat problematical in the mind of the Master. But, on general principles, I would certainly be safe in saying that it would be a very unsafe thing to draw any very conclusive and determinative results in the matter of the Wabash case from an exhibit of this sort, and on an entirely different road. I cannot assume that a- showing anything at all similar to this upon another road, even though the conditions might appear to be somewhat similar. The difficulty is that, just as Mr. Minnis, counsel for Complain-
5977 ant in this case has remarked, the introduction of this testimony will certainly entitle them to preparation for cross-examination, and not only so, but to verify the various statements to which testimony is now directed. That would require a redoing of all this work in this case, where the present Complainant is not interested in it directly, but only inferentially, when the same work, if directed to the books belonging to the Wabash Company, the Complainant in this case, would certainly have very much more practical value.

Mr. LADD: It comes right back to the original proposition. Personally, I think the Wabash people should have gotten up a statement like this and presented it to the court, particularly as their general manager says that the ton mile is the unit of expense and revenue. They have not done it. It is simply impossible for us to have done it in all three cases. It has been done in the Missouri Pacific case and it is being done in the Burlington case, but it was simply physically impossible for us to do it in all three cases.

Mr. MINNIS: The reason we have not done it, as Mr. Miller says,

and advanced reasons for that, that it is utterly impossible to tell anything about the question by a few days' or a few months' statement. I took the matter up to see if there was any basis by which we could make proof, that the cost of handling State business was greater than the handling of interstate business, by figures. Mr. Miller said to me it was utterly impossible. That seems to be the decisions of the court. We made all the statements that it
5978 was suggested we should make, and we gave every facility to the other side to make any statement they wanted to make.

Mr. LADD: It was not for us to suggest what statement they should make; the burden of proof is on them.

Mr. MINNIS: If we fail it is our fault.

Mr. LADD: I think it is incumbent upon you to produce the best available testimony. According to your general manager this is the best available testimony, the cost per ton mile.

Mr. MINNIS: If we have not done properly, that is our misfortune. We offered our case, not just what you wanted, but what in our judgment would make the case.

The MASTER: Now, while it devolves upon the Complainant to make out *his* case, and in doing so to make out an exhibition of tabulated results taken from *his* books, yet, at the same time, it would not be proper to require such statements as might be demanded of *them* by the Defendant in the case, and especially if all those books and original sources are placed at the disposal of the experts on the part of the State.

Mr. LADD: Your Honor will remember that Mr. Minnis at the preliminary hearing said he did not intend to put in any testimony as to the additional cost of doing State business. It is that class of testimony which has made it necessary for us to introduce
5979 this in the case. Since that time we have not had time to prepare a statement applicable to the Wabash Company.

Mr. MINNIS: It is fortunate that your Honor heard that statement. I made it on the supposition that Mr. Hagerman understood that by agreement the statements and testimony applicable to one case would be used as the statements and testimony in all cases and then I said I would not offer any testimony on that particular point.

The MASTER: You would have permission to introduce additional testimony, even if your intention had been to the contrary at the initial hearing of the case.

I will hear the testimony, but it is opening a very wide field. And I am frank to say beforehand, that it looks to me like the labor might have been expended to better purpose if directed to the Wabash Company's books instead of to the Missouri Pacific Company's books.

Mr. LADD: There is a limit to our possibilities from a physical point of view.

The MASTER: That is true, and I think this case is largely to test that limit in a good many respects.

Mr. LADD: We have not been able to do it all, and the burden has been placed upon us by the introduction of testimony by Mr. Minnis,

which he said he would not introduce—of course he had a perfect right to introduce it.

Mr. MINNIS: There was no misleading of anybody by my statement.

5980 The MASTER: Of course on the other hand, the Defendant in offering this class of testimony takes altogether the chance of what weight shall be given it, either by the Master or by the court, upon appeal from the Master's decision.

Mr. LADD:

Q. Mr. Taliaferro, have you also prepared an Exhibit which I will now show you?

A. Yes sir.

Mr. LADD: I will offer in evidence the paper referred to.

5981 Mr. MINNIS: This paper is objected to for the same reason, that it is prepared upon a basis shown by the previous Exhibits, which purport to have been taken from the Missouri Pacific books and figures. I wish to state also that in addition I made to Exhibit 19, I will object to this paper because it is a comparison, and arrives at a result not based upon any figures of the Wabash Company, or any business transacted by the Wabash Company.

The objection is overruled.

Defendant's Exhibit 20 is in the words and figures following, to-wit:

5982 Mr. LADD:

Q. Have you become familiar, during your examination of the Wabash and Missouri Pacific books, records and papers, for the purposes of this case, with the rates of both companies?

A. I have used the tariffs of both to some extent, yes sir.

Q. Are you able to state whether the Wabash Company's rates in Missouri are substantially the same as the Missouri Pacific rates on State freight?

—. The Wabash rates in Missouri on State freight, except between the Missouri and the Mississippi Rivers, where the rates are lower, and which lower rates are maxima to intermediate points, are practically the same as those provided by the Board of Railroad and Warehouse Commissioners. There may be a few small differences. That same tariff of the Board of Railroad and Warehouse Commissioners applies to the main line of the Missouri Pacific. And our examination of the distance tariffs of the Missouri Pacific, and a comparison of those tariffs with those of the Missouri Board of Railroad and Warehouse Commissioners shows that they are practically the same, except between the Missouri and the Mississippi Rivers.

Q. The distance tariffs on the Wabash and the Missouri Pacific are substantially the same, I understand you to say?

A. Yes sir.

Q. That is, they conform, except at competing points, they are

about the same as those established by the Board of Railroad and Warehouse Commissioners?

A. That is the idea.

5983 Q. But at competing points they go below the maximum rates of the Board of Railroad and Warehouse Commissioners?

A. The long line would go below those rates between any competing points. All roads use lower rates than the commissioners' rates, between the two rivers.

Q. Those are competing points?

A. In that sense, yes sir.

Q. Do you think, then, that the application of the showing made on the Missouri Pacific for the month of October, 1905, assuming that to be a fairly representative month, applied to the Wabash Company's business, would be a fair application, approximately?

A. This statement was prepared on that basis. I do not think that the Wabash Company's average revenue per ton per mile on interstate freight would be as large as the Missouri Pacific earnings.

Q. On State freight?

A. I think they should be practically the same on State freight.

The MASTER: Then would not that destroy, would not that material difference destroy the value of the table as a means of comparison?

A. I do not think so, your Honor, because we found the ton miles of each class of freight by dividing the revenue by the average rate per ton per mile. That gives a lower number of tons one mile for the interstate than if we used a lower average. Then, using the ton miles as the basis for the division of the expenses, we have a

5984 lower figure for the interstate freight than we would otherwise have.

The MASTER:

Q. Do you mean by that, that insofar as a discrepancy would arise, that the result would be more favorable to the Wabash than to the State?

A. We think so in this case, yes sir.

Mr. LADD:

Q. In this statement Exhibit 20, in the first paragraph thereof, you refer to the interstate freight earnings of the Wabash as shown by Exhibit four, being the Wabash statement, as $2,057,787.58: Are those the Wabash figures as shown by Exhibit four?

A. Yes sir.

Q. Exhibit 4 is a part of their statement filed in this case, isn't it?

A. Yes sir.

Q. Showing their earnings?

A. Yes sir.

Q. Assuming that the same proportion was derived from carload business and less than carload business, as prevailed on the Missouri Pacific Railroad in October 1905, as shown by Exhibit 19, how

much of that total amount of $2,057,787.58 would be from the carload business?

A. $1,666,602.16.

Q. And how much from the less than carload business?

A. $391,185.42.

Q. That pertains exclusively to the interstate business?

A. Yes sir.

Q. What is the percentage of less than carload interstate business to the total, as shown by the Missouri Pacific, and by
5985 these figures?

A. Less than carload interstate, 19.01 per cent of the total.

Q. Now, for the purposes of this exhibit 20 which you are referring to now, you have assumed that as to the interstate business of the Wabash the same proportion was in carload and less than carload lots, as you found on the Missouri Pacific Railroad in the month of October 1905?

A. Based on the earnings, yes sir.

Q. Those figures $2,057,778.58 are the Wabash Company's own figures, aren't they?

A. Yes sir.

Q. Shown in their statements?

A. Yes sir.

Q. In the second paragraph the amount $717,221.68 are the State freight earnings of the Wabash Company for the year 1905, as shown by their same Exhibit number 4?

A. Yes sir.

Q. Have you divided that up into carload and less than carload business upon the same basis of percentages as you found existed in the case of the Misouri Pacific in the month of October, 1905?

A. Yes sir.

Q. What was the percentage of carload business?

A. 63.30 per cent.

Q. And less than carload?

A. 36.70 per cent.

Q. And you have reduced those percentages of the total amounts to the figures, have you?

5986 A. Yes sir.

Q. Allotted to each kind of business?

A. Yes sir; making carload $454,001.33; and less than carload $263,220.35.

Q. In paragraph 3 of Exhibit 20 you have assumed, haven't you, that the Wabash Company's earnings in Missouri from interstate carload business averaged the same per ton per mile as they did, as a matter of fact, on the Missouri Pacific Railroad in October, 1905: Is that right?

A. As Exhibit 19 shows they did.

Q. You assumed that to be a fact, didn't you?

A. Yes sir, with this explanation at that point; that in arriving at the total revenue in Exhibit 19, there are some bridge tolls, some deductions, which we did not attempt to get, because on account of

the way they were handled it would not have been practicable. We thought that it would not change the relations of State and interstate business.

Q. I do not understand what you mean by that and I don't think the Master does.

A. I mean this: In showing interstate earnings on the Missouri Pacific, there are some bridge tolls that were not deducted. Not being shown by the billing or freight journals, we did not make up a statement of them and deduct them, because we didn't think they would have very much effect on the average revenue per ton per mile, and we knew we were on the safe side in not taking them out. We were not doing the company any harm.

Q. Did you deduct anything from the interstate earnings?

5987 A. Quite a large part of them were taken out.

Q. But there were some you did not take out because it was not practicable to get at them and find out just what they were, is that it?

A. That is right.

Q. What would have been the effect if you had gotten them and taken them out? It would have reduced the interstate earnings, wouldn't it?

A. Yes sir, that is right.

Q. With that exception the figures on the Missouri Pacific in regard to earnings are accurate?

Mr. MINNIS: He said there were deductions for bridge tolls and other items: What were those?

A. Claims.

Q. They should not have been and were not deducted?

A. Yes sir.

Mr. LADD:

Q. They were not deducted, as a matter of fact?

A. No sir.

Q. If they had been it would have made the average ton mile revenue for the Missouri Pacific somewhat less than your statement shows it?

A. Yes sir.

Q. But you did not do it?

A. No sir.

Q. If all those things had been deducted which you say it was not practicable for you to deduct, the showing would have been more favorable from the State's point of view than it is now?

5988 A. I think so, yes sir.

Q. In the fourth paragraph of Exhibit 20 you assume that the Wabash earnings from the interstate less than carload business average the same per ton per mile that you found existed or was earned by the Missouri Pacific Railroad in October, 1905? You have made that assumption, haven't you?

A. Yes sir.

Q. In the fifth paragraph you have assumed, haven't you, that the earnings of the Wabash Company per ton per mile from the State carload business averaged the same as the Missouri Pacific?

A. Yes sir.

Q. And in the sixth paragraph you have assumed that the Wabash earnings from State less than carload business averaged the same as you found, as a matter of fact, were the earnings on the Missouri Pacific: Is that right?

A. Yes sir, the figures shown by Exhibit 19.

Q. In the seventh paragraph you have assumed that the operating expenses of the Wabash Company assignable to the freight revenue, bore the same relation to the total operating expense in Missouri that the freight revenue bore to the gross earnings in the State, as shown by Exhibit number 4, namely 52.47 per cent?

A. Yes sir.

Q. Now, Exhibit 4 is one which was prepared by the Wabash Company and filed here, is it not?

A. Yes sir.

Q. Is that the percentage between the freight earnings as
5989 shown by Exhibit 4, and the total earnings, as shown by that same Exhibit in Missouri?

A. Yes sir.

Q. 52.47 per cent?

A. Yes sir.

Q. You assume, then, that the percentage of freight operating expenses—that the proportion which the freight operating expenses in Missouri bear to the total operating expenses in Missouri, is the same that the freight earnings in Missouri bear to the total earnings in Missouri: Is that right?

A. Yes sir.

Q. And that percentage is struck, is it, between the figures prepared by the Wabash Company as shown on Exhibit 4?

A. Yes sir, for the year 1905.

Q. Both statements, the original statement (Complainant's Exhibit 5) and the one subsequently filed in this case by the Wabash Company (Complainant's 4) claim that the freight operating expenses in Missouri for both years 1904 and 1905, were 65 per cent of the total operating expenses in Missouri?

A. Yes sir.

Q. And you assume here that they are only 52.47 per cent?

A. Yes sir.

Q. Now I would like to know why you make that assumption and why you think it is a fair one: Have you any precedent for it?

5990 A. We have some figures to bear us out in the belief that the freight business costs less per dollar of revenue than the passenger business. And we thought it was very fair to assume that the freight expenses would be the same percentage of the total expenses that the freight earnings were of the total earnings.

Q. Do you mean to say that a fairly close relation can be observed in either case, between freight earnings as compared with total earnings and freight expenses as compared with total expenses?

A. Yes sir.

Q. I wish you would give some illustrations—but I will ask you this question first. What were the freight earnings of the Wabash

Company for the fiscal year ending June 30, 1906, as compared with the total earnings, in Missouri?

A. Including miscellaneous freight as freight earnings, the freight earnings were 60.18 per cent of the total earnings in Missouri for the fiscal year ending June 30, 1906.

Q. What proportion of the total expenses was the freight expenses?

A. 59.52 per cent.

Q. On the Wabash system in Missouri, as I understand you, for the year ending June 30, 1906, the freight earnings were 60.18 per cent of the total earnings and the freight expenses were 59.52 of the total expenses: Is that it?

A. Yes sir.

Q. But I understand you to say that in considering the
5991 freight earnings you include what has been spoken of here as miscellaneous freight earnings?

A. Yes sir.

Q. Of which switching freight is an illustration: Is that right?

A. Yes sir.

Q. The expenses were 59.52 per cent of the total operating expenses in the State for the same period, were they?

A. Yes sir.

Q. Does that include anything in the operating expenses for new equipment?

A. That includes $113,040 out of an appropriation of $400,000 for new equipment.

Q. The amount you mention was the part assigned to Missouri, according to Mr. Tobin's testimony, was it?

A. Yes sir.

Q. Take the Wabash system for the calendar year 1905: What was the proportion of freight earnings to the total earnings of the system?

A. Including the miscellaneous freight, the freight earnings were 66.76 per cent.

Q. What was the proportion of freight expenses to total operating expenses?

A. 64.32 per cent.

Q. Leave out your miscellaneous freight, and what would be the percentage?

A. That has not been worked out.

Q. Let us see how close they were. The earnings were what?
5992 A. 66.76 per cent.

Q. Expenses were what?

A. 64.32.

Q. Take it for the fiscal year 1906, for the system, what was the proportion of freight earnings to total earnings?

A. Including miscellaneous freight, the freight earnings were 66.14 per cent of the total earnings.

Q. What was the proportion of the expenses?

A. 65.37 per cent.

Q. The proportion of freight earnings to total earnings was how much?

A. 66.14 per cent.

Q. The proportion of freight expenses to the total expenses was how much?

A. 65.37.

Q. For the months of July, August and September, 1906, in Missouri, what was the proportion of freight earnings to the total earnings of the Wabash Railroad?

A. Those figures were testified to by Mr. Tobin, but I don't remember what they were.

Q. I have a memorandum here *with* I suppose is correct, Did you work this out (handing paper to witness).

A. I worked out some figures you put on a paper last night.

Q. See if you can recognize this. The proportion of freight earnings to total earnings and freight expenses to total expenses during the months of July, August and September, 1906, in Missouri, on the Wabash Railroad?

A. My recollection is that I read you these figures from Mr.
5993 Tobin's testimony.

Q. What is it?

A. The figures here are, freight earnings 62.05 per cent, including switching and demurrage. Freight expenses 63.67 per cent of the whole. Leaving out switching and demurrage freight earnings about 60 per cent of the gross earnings.

Q. I will ask you if you know what was the showing on the Burlington system in Missouri, for the year ending December 31, 1905: What proportion were the freight earnings of the total earnings?

A. The freight earnings were 69.42 per cent of the total revenue in the State, for 1905. The freight expenses were 65.33 per cent of the total expenses in the State.

Q. Have you any figures based on Exhibit 4, introduced here by the Complainant, as to the percentage between the earnings from freight in Missouri by the Wabash Company during the year 1904, and the total earnings?

A. Yes sir.

Q. What percentage, as shown by the statement Exhibit 4, offered by the Wabash Company, did the total freight earnings in the State bear to the total freight earnings in the State for the calendar year 1904?

A. 40.13 per cent.

Q. What per cent, according to the same statement, did the freight earnings for the year 1905 bear to the total earnings from all sources for the same period?

A. 52.47 per cent.

Q. In any of your investigations, Mr. Taliaferro, have you noticed or observed any such disparity between earnings and expenses
5994 as would exist between the 40 per cent and 65 per cent; and 52 per cent and 65 per cent; as applied to earning- and expenses of the freight business?

A. No sir.

Q. Now, are these illustrations and your observation your justification for assuming, as you do in paragraph 7 of Exhibit 20, that

the freight operating expenses were 52.47 per cent of the total operating expenses?

A. What we have seen, the figures I have given you, are our justification for making this division.

Q. On this Exhibit 20, item one, under the head of "Interstate carload business", what are your first figures on that line, beginning with "Gross earnings"?

A. The first figures show average revenue per ton per mile.

Q. What is that?

A. 6.667 mills.

Q. Where did you get those figures?

A. That is the figure shown by Exhibit 19 for the Missouri Pacific.

Q. That was the rate per ton per mile on interstate carload business as shown by the Missouri Pacific statement, is that right?

A. Yes sir.

Q. How do you arrive at the next figure, $1,656,602.16?

A. The interstate freight earnings shown by Exhibit 4 were divided between carloads and less than carloads, on the basis of the figures shown in Exhibit 19 as to the Missouri Pacific's revenue on the two classes of freight.

5995 Q. That is, you assume that the interstate business of the Wabash Company for the year 1905, as shown by their Exhibit 4, was divided up into carloads and less than carloads, in the same proportion as the Missouri Pacific business was for the month of October, 1905: Is that right?

A. Yes sir.

Q. And then the gross earnings on that theory, of the interstate carload business of the Wabash Company for 1905 were $1,656,602.16: Is that right?

A. Yes sir.

Q. The next figure refers to operating expenses, in item one, what are those figures?

A. That is the interstate carload proportion of the total freight expenses, which are 52.47 per cent of the figures shown in Exhibit 4, not including taxes.

Q. I want to ask you, what are those figures under the head of "Operating expenses per ton per mile, for interstate carload business"?

A. 5.971 mills.

Q. Now, I wish you would tell the Master how you arrived at that, and in doing so you may read from a statement you have written up, because it is in concise form, and I will offer it in evidence in connection with Exhibit 20.

A. The figure 5.971 mills——

Q. Just read that.

A. Do you want me to read this statement? I did not write it.

The witness here reads the statement which has been marked Defendant's Exhibit 20A which is as follows:

5996 Mr. LADD:

Q. That is, your statement is prepared upon the assumption that it costs twice as much per ton per mile to do State carload business, and three times as much for all less than carload business?

A. The first column shows the figures on that basis.

Q. That is, the method, is it, by which you reach the per ton per mile cost as shown in the first column?

A. Yes sir.

Q. 5.971 miles?

A. Yes sir.

Q. And that is your unit of cost, is it?

A. Yes sir.

Q. Do you think that is a correct method?

A. Yes sir.

A. That is upon the assumption that it costs twice as much to do the State carload business as it does to do the interstate carload business?

A. Yes sir.

Q. And three times as much to do all less than carload business as to do the interstate carload business, per ton per mile: Is that right?

A. Yes sir.

Q. Do you think it does cost that much more, as a matter of fact?

Mr. MINNIS: That is objected to because the witness is not qualified to express an opinion on that. He is not shown to have been acquainted with the operation of a railroad in Missouri or
5997 for that matter to have been acquainted with the operation of railroads similar to the complainant's railroad, at any time. It is not shown that he possesses any peculiar knowledge that is not possessed in common by everybody, with respect to the difference in cost of handling the two classes of business.

The objection is overruled.

A. I do not think it costs twice as much per ton per mile to do State carload business as it does to do the interstate carload business. I think it is probable that it costs three times as much per ton per mile to do the less than carload as to do the interstate carload business.

Mr. LADD: The reason I asked that question here was to negative the idea on the part of Mr. Minnis or the Master that either the witness or we on our side conceded that this assumption was true, in point of fact. It is simply to meet the assumption on the part of the complainant.

Mr. MINNIS: Your question stated repeatedly that it was an assumption.

Mr. LADD:

Q. Upon the theory stated in the first column, that the State carload business costs twice, and all less than carload business, both State and interstate, costs three times as much per ton per mile as

the interstate carload business, what would have been the net earnings upon the interstate carload business of the Wabash
5998 Company in 1905?

A. $174,006.72.

Mr. MINNIS: You have not taken into account at all the taxes?

A. No sir.

Q. Your answer should be qualified to that extent?

A. Yes sir. If my statement before did not cover that, it should be so understood.

Mr. LADD:

Q. What is the difference between the second column of Exhibit 20 and the first column: What is the difference in the assumption upon which the figures are made?

A. In the second column we have made up the figures based upon the assumption that the State carload business costs twice; and all less than carload business five times as much per ton per mile as interstate carload business.

Q. Five times instead of three times, as in the first column?

A. Yes sir.

Q. How did you arrive at the unit of cost in operating expenses expressed in that column by 5.412 miles?

A. The method is exactly the same as that described for the first column, except that the less than carload ton miles are multiplied by five instead of three.

Q. Upon that theory what would have been the net earnings on interstate carload business?

A. $313,636.61.

Q. Now, in the last column the result is reached by the same process, by using the multiple of seven instead of five or
5999 three?

A. Yes sir.

Q. What did you find the net earnings on the interstate carload business to be upon that theory?

A. $429,421.67.

Q. Take item two, interstate less than carload business: Where do you get opposite the words "Gross Earnings" the figures "28 mills and a fraction"?

A. That figure is shown by Exhibit 19.

Q. Those are the earnings per ton per mile of interstate less than carload business, as shown by the examination of the Missouri Pacific Railroad Company's business: Is that it?

A. Yes sir.

Q. I see under the head of "Operating Expenses" in item two, you have not got the unit of expenses as you have under item one; That is omitted?

A. Yes sir.

Q. What is it? Why does not that appear there?

A. Because three times the cost per ton per mile of interstate carload business, multiplied by the ton miles of interstate less than carload freight, would not give exactly the figures $249,912.29, the figure for expenses shown here, although it is practicably that

figure. We had to base our division of operating expenses on the percentage of ton miles, rather than on a multiple of the unit of cost. But we tested those figures and found they made very little difference.

6000 Q. It is to save carrying out fractions too far?

A. Yes sir.

Q. Let me ask you if I am right about that: If that were filled in there would it be three times the unit of cost per ton mile, shown in item one as give mills and a fraction?

A. Yes sir.

Q. And you worked on the same rule in the second column where you use it five times; and in the third column where you use it seven times: Is that right?

A. Yes sir.

Q. I see here in the last column "New earnings" $92,360.48 in red figures: What does that mean?

A. That means that if the interstate less than carload business costs seven times as much as interstate carload, there would have been a loss of $92,360.48 on interstate less than carload business.

Q. Now take item three, State carload business——

The MASTER: Mr. Ladd, if I understand the purpose of this, it is to attack the conclusion reached upon the theories as shown by the Complainant's testimony, that the cost of transporting certain classes of State and certain classes of interstate business, was from two to seven times the cost of interstate business.

Mr. LADD: Nobody in this case has testified to two to seven. Mr. Miller testified two or three times.

The MASTER: That is what I was about to ask, whether

6001 there was any evidence of this sort in this case.

Mr. LADD: There has been no evidence about seven times in this case. But another statement was drawn up for seven times, and I suppose he did that because he had done it before.

Q. Now take item three, State carload business; Your gross earnings per ton mile as shown in column one are the same as appear on the Missouri Pacific, do they?

A. Yes sir.

Q. The unit of operating expenses per ton mile I see is left blank here?

A. Yes sir.

Q. What would that be as compared with the five mills and a fraction shown in item one?

A. It would be twice that.

Q. On that theory what would the net earnings on the State carload business have been?

Q. -8,515.47.

Q. What would your earnings be there, on the basis that all less than carload business costs three times as much?

A. You mean the State less than carload?

Q. No sir, the State carload?

A. $8,515.47.

Q. Take number four, the State less than carload business: If

the State carload business costs twice and all less than carload business both State and interstate costs three times as much
6002 as the interstate carload business, what would be the net revenue if anything, on the State less than carload business?

A. $158,440.60.

Q. And in the next column you calculated on the basis of five times, and in the last column on the basis of seven times, did you?

A. Yes sir.

Q. Look at item six showing the total State business: You mean by that intrastate business, don't you?

A. Yes sir.

Q. What, according to these figures, would have been the net earnings on the State business, assuming that all less than carload business costs three times as much per ton per mile as the interstate carload business; and that the State carload business costs twice as much?

A. $166,956.07.

Q. All these other figures shown on Exhibit 20 have been worked out by you or under your direction, have they?

A. Yes sir.

Q. And you believe them to be accurate?

A. Yes sir.

Q. So that on the intrastate business for the year 1905, upon the assumptions that we have indulged in here, and upon the further assumptions that the State carload business costs twice as much to handle, and that all less than carload business costs three times as much to handle as interstate carload business, the company
6003 would have earned on its intrastate business during 1905 $166,956.07 net: Is that right?

A. That is, taking the operating expenses from the earnings. That does not allow for taxes?

Q. Everything is allowed but taxes?

A. What are known as operating expenses.

Q. This statement, Exhibit 20, as I understand you, is based upon the foundation that the freight earnings of the company for the year 1905 were as stated in the company's Exhibit 4?

A. Yes sir.

Q. You have not in these figures, or in this statement assumed that the freight earnings, either State or interstate, were any larger or any other than the company itself has stated in this Exhibit 4?

A. That is correct.

Q. You had not added anything in the way of miscellaneous freight earnings, such as switching or demurrage, or anything of that kind?

A. That is true.

Q. These are all their own figures?

A. Yes sir.

Q. Have you prepared another statement based upon the Missouri Pacific statement, which has been referred to here so often, similar to Exhibit 20, upon the theory that the extra cost of doing the State business is confined to that portion of the operating expenses known as "Conducting transportation"?

6004 A. Yes sir.

Q. Have you that statement before you?

A. Yes sir.

Mr. LADD: I will offer in evidence this statement as Defendant's Exhibit 21.

Mr. MINNIS: To which the same objection is made as was made to the introduction of Exhibit- 19 and 20, as being testimony relating to the Missouri Pacific showing.

The objection is overruled.

The paper referred to is marked Defendant's Exhibit 21.

Said paper is in the words and figures following: to-wit:

6005 Mr. LADD:

Q. In this Exhibit 21, which you have prepared, the assumptions contained in the first seven paragraphs are precisely the same as those contained in Exhibit 20, aren't they?

A. Yes sir.

Q. I understand that this Exhibit is based upon the theory that the extra expenses, if any, incurred in doing certain classes of business, is confined to that part of the expenses listed under the general head of "Conducting transportation": Is that right?

A. Yes sir. I may say that conducting transportation for the purposes of this statement, include the items on Exhibit four numbered 7, 8 and 10, which are as follows: "Conducting transportation", "Loss and damage to persons and property", "Mileage on cars".

Q. Mr. Taliaferro, going back to Exhibit 20, it is based upon the assumption that the State expenses bear the same relation to the total operating expenses, as the freight earnings bear to the total earnings: That is right, isn't it?

A. Yes sir.

Q. And that percent of 52.47 you figured out yourself?

A. Yes sir.

Q. You don't mean to say that Complainant's Exhibit 4, or any of the Complainant's Exhibits, state that the proportion of the freight expenses is 52.47 of the total operating expenses?

6006 A. Not at all. That is not what we meant to say.

Q. I understand you to mean to say that you arrive at the 52.47 per cent by taking the proportion of the freight earnings for the year 1905, as shown by Exhibit 4, showing the proportion between those freight earnings and the total earnings as shown by Exhibit 47.

A. Yes sir. We worked out the figures of 52.47 per cent.

Mr. LADD:

Q. Now, go back to this item of "Conducting Transportation": What do you say is included, items 7 and 8 of Exhibit 4?

A. 7, 8 and 10.

Q. Those three items shown on Exhibit 4 are all included in the expenses which you mentioned in Exhibit 21 under the head of "Conducting transportation"; Is that right?

A. Yes sir.

Q. That is done, I suppose, because in most cases they are put under the head of "Conducting Transportation" instead of being under a separate head?

A. They are really a part of the general sub-division of "Conducting Transportation".

Q. That is the classification?

A. Yes sir, and I understand the division was made here to meet some form prescribed for this case.

Q. In addition to the assumptions contained in the first seven paragraphs of this Exhibit 21, which are precisely the same, I believe, as the same numbered paragraphs in Exhibit 20,
6007 your paragraph assumes that the State carload business costs per ton per mile two times and five times respectively, as much as the interstate carload business; and your ninth paragraph that all of the less than carload business costs three times, five times, seven times, or fifteen times as much per ton per mile as the interstate carload business, that is to say, in both cases that portion of the expenses known as "Conducting Transportation". Are those the assumptions that are made in order to reach these figures?

A. Yes sir.

Q. I will ask you, right at this point, why you have prepared this Exhibit on the basis of the additional cost being confined to this service, w-ich constitutes, "Conducting Transportation"?

Objected to because the witness has not shown himself qualified to express an opinion.

—. It was done in other cases and we made it up in this form to meet some testimony given in the Burlington case and it now becomes proper to put it in this case because we understood from some of Mr. Miller's testimony that the additional expenses were confined largely to terminals, and that the terminal expense was in the "Conducting transportation" expenses.

Q. What is your own opinion and judgment as to whether the additional expense, if any, in the handling and hauling
6008 of freight, in carrying on the State business, is principally confined to the conducting of the transportation?

Objected to on the ground that the witness is not qualified and for the reasons heretofore stated when I objected to him expressing opinions.

The objection is overruled.

A. I think it is almost entirely confined to that branch of the operating expenses.

Mr. LADD:

Q. In this Exhibit 21 you reach your unit of revenue and cost per ton mile in the same manner as you have already stated in respect to Exhibit 20, don't you? in the same general manner?

A. Yes sir.

Q. You say you confined the allowance for extra expenses to the

conducting of transportation: How much in all do you allow for conducting transportation?

A. About 54 per cent of the total operating expenses.

Q. Of the total freight operating expenses?

A. Yes sir.

Q. Why do you do that? What authority have you for that? Is that based on any statements which have been made here by the Wabash Company?

A. We were using the figures shown in Exhibit 4. They are set out here in detail.

Q. You did use Exhibit four in order to reach that 54 per cent?

A. Yes sir.

6009 Q. And the items shown on Exhibit 4 under the head of conducting transportation, loss and damage to persons and property, and mileage of cars: Do you mean to say that is 54 per cent of the total items of expenses shown on that exhibit: Is that it?

A. Yes sir.

Q. Excluding the taxes, of course?

A. Yes sir.

Q. Upon the theory of confining this extra expense to cost of conducting transportation, and that it costs twice as much to handle the State carload business and three times as much to handle all less than carload business, both State and interstate, as it does interstate carload business, per ton per mile, what would have been the net revenue of the Wabash Company on its State business for the year 1905?

A. $251,100.86.

Q. I have not asked you to go over all the different figures and results of these computations on the different bases, but I will ask you if they are correct?

A. Yes sir, they are.

Q. Have you prepared an Exhibit of results based upon some figures other than those which have already entered into the other Exhibits: Look at this Exhibit and state if that is the one you prepared.

A. Yes sir.

Mr. LADD: I will offer in evidence this paper and ask that it be marked "Defendant's Exhibit 22."

6010 Mr. LADD: To which the same objection is made as to the three previous Exhibits.

The objection is overruled.

Defendant's Exhibit 22 is in the words and figures following, to-wit:

6011 Mr. LADD:

Q. Please look at Exhibit 22, being the showing of the Wabash Company's business for the calendar year 1904; what, according to this statement, were the interstate freight earnings of the company for the calendar year 1904?

A. $1,991,585.17, including miscellaneous freight earnings.

Q. How do you reach that?

A. That figures is made up of the freight earnings shown by Exhibit 4.

Q. How much is that?

A. $1,780,681.38.

Q. Well?

A. And the miscellaneous freight earnings shown by Exhibit 6.

Q. What is that?

A. $210,901.79.

Q. And the sum of those make the figures $1,991,585.17 do they?

A. Yes sir.

Q. Is this Exhibit 6 which shows the amount of miscellaneous earnings which you have incorporated into the interstate freight earnings an exhibit which was prepared by the Wabash Company?

A. Yes sir.

Q. And you have added them to the interstate freight earnings as shown by them on Exhibit 4: Is that right?

A. That is right.

6012 Q. Take the State freight, $781,082.34: How do you arrive at that?

A. That figure is made up of the freight earnings shown by Exhibit 4 of $688,242.18 and the miscellaneous freight earnings shown by Exhibit 6 of $92,840.16.

Q. Those two items make up the figure which you give in this Exhibit 22?

A. Yes sir.

Q. Miscellaneous freight earnings consist of switching, freight, demurrage, and some few items of storage?

A. Yes sir.

Q. You show the total ton miles to be 343,813,331: How do you arrive at that?

A. The total ton miles we reestablished by dividing the total freight revenue, which did not include the miscellaneous freight earnings——

Q. Total freight earnings as shown by Exhibit 4?

A. Yes sir, as shown by Exhibit 4, by 7.181 mills.

Q. The result of that was 343,813,331 ton miles: Is that it?

A. Yes sir.

Q. What is the 7.181 mills which you use there as the divisor?

A. That is the figure resulting from dividing the freight revenue in the fiscal year ending June 30, 1906, by the ton miles of revenue freight in Missouri in that year.

Q. Then that 7.181 mills is the earnings per ton per mile, isn't it?

A. Yes sir.

6013 Q. Now, how do you reach that 7.181 mills?

A. We took the freight revenue in Missouri in the fiscal year ending June 30, 1906, as testified to by Mr. Tobin, amounting to $3,375,964.62. From Exhibit 12, the blue print——

Q. The one offered in evidence *ty* the Complainant?

A. Yes sir—and we found that the ton miles of the Moberly

division, which includes all the lines west of the Mississippi River, were 583,253,874.

Q. Those exact figures appear upon that blue print Exhibit 12, do they?

A. Yes sir.

Q. Well?

A. We eliminated the ton miles of accounting division number 23, which is wholly within Iowa.

Q. Between what points?

A. Between Moulton and Ottumwa.

6014 Q. How much did that amount to?

A. 3,895,977.

Q. Did you get those figures from that blue print?

A. Yes sir.

Q. Proceed.

A. We eliminated the ton miles of accounting division No. 25 from Moulton to Des Moines, which lies wholly in Iowa, using the figures shown in the blue print 42,977,287.

Q. Go on.

A. We eliminated, on a road mileage basis, Iowa's proportion of the ton miles of Accounting Division No. 22, Moberly to Moulton, using the figures shown in the blue print Exhibit 12 as the basis for our calculation; and using the percentage of 8.44 as Iowa's proportion of the road mileage.

Q. What did those ton miles amount to?

A. They amounted to 4,206,697 ton miles.

We eliminated Iowa's proportion of the ton miles of Accounting Division No. 31, Stanberry to Omaha, using a percentage of 57.77 which represents the proportion of the road mileage lying in Iowa. This gave us a figure of 35,967,059 ton miles.

Q. What were the total deductions on account of the Iowa mileage?

A. 87,047,010.

Q. What did that leave for Missouri as the total ton miles, according to that blue print?

A. 496,206,864.

6015 Q. I understand that blue print which you are referring to, and which was prepared by the Wabash Railroad Company, and shows the total ton miles of freight hauled over the Moberly Division for the fiscal year ending June 30, 1906, included some miles in Iowa, and those you have taken out on a mileage basis: Is that right?

A. Yes sir.

Q. That last figure is 496,206,864 ton miles?

A. Yes sir.

Q. That you say is the total ton miles in Missouri for that year?

A. Yes sir.

Q. Does that figure include company freight?

A. Yes sir.

Q. Do you make any deduction on account of that, if so how much?

A. We deducted 5.25 per cent of the figure of 496,206,864 to cover the ton miles of company freight.

Q. Why did you adopt that figure?

A. This percentage was based on Mr. Miller's testimony as to ton miles of revenue freight and company freight, in that year.

Q. What did that 5.25 amount to for company freight, in ton miles?

A. 26,050,860.

Q. After deducting that, what was left for Missouri—revenue freight for that year?

A. 470,156,004 ton miles.

6016 Q. That was the total ton miles, according to the Complainant's Exhibit 12, being a blue print, of freight carried in Missouri for the fiscal year ending June 30, 1906:

Now, I believe you stated you divided the ton miles into the total freight revenue for that year: What was the total freight revenue for that year?

A. $3.375,964.62.

Q. Where did you get that?

A. From Mr. Tobin's testimony.

Q. In this case?

A. Yes sir.

Q. And what does that give as the average earnings per ton mile?

A. 7.181 mills.

Q. And those are the figures that appear in the second paragraph of this Exhibit 22?

A. Yes sir.

Q. And that is the way you reach them?

A. Yes sir.

Q. That is for all freight in Missouri, isn't it, both State and interstate, so far?

A. Yes sir.

Q. How did you arrive at the ton miles of State freight revenue, not including the miscellaneous freight earnings, and divided it——

Q. State freight revenue per ton per mile is show- by what?

6017 A. Not per ton mile. We took the figures shown by Complainant's Exhibit 4, representing the earnings of intrastate freight for the year 1904, $688,242.18 and divided it by 1.6619 cents——

Q. What is that figure?

A. Or, in round figures 16⅔ mills per ton per mile, which is the figure shown by Defendant's Exhibit 19 as the Missouri Pacific Company's revenue per ton per mile on all its State freight in the month of October, 1905. For the purpose of this statement we assumed that the Wabash earnings were as high per ton per mile as Exhibit 19 shows the Missouri Pacific earnings to have been.

Q. On State business?

A. Yes sir, on State business.

Q. What more, according to that calculation, the ton miles of State freight for 1904?

A. 41,412,971.

Q. That is shown on this Exhibit 22?

A. Yes sir.

Q. How did you get at the ton miles of interstate freight for that year?

A. We deducted the State ton miles from the total ton miles and treated the remainder as interstate ton miles.

Q. How did you arrive at the operating expenses of interstate freight shown to be $1,487,204.97 on this statement?

A. Having established the total ton miles, we divided that figure into the freight expenses in Missouri for the year ending June 30, 1906——

6018 Q. After ascertaining the total ton miles for the year ending June 30, 1906, you mean?

A. Yes sir, the year ending June 30, 1906. We divided that figure into the total freight expenses in that year, after deducting the $113,000 for new equipment.

Q. How did you arrive at the total freight expenses incurred in the year 1906?

A. We took the figures testified to by Mr. Tobin $2,475,347.71 and deducted $113,000, Missouri's proportion of $400,000 appropriated by new equipment.

Q. And then you divided?

A. We divided the remainder by the ton miles of revenue freight for that year.

Q. What did you get in that way, the cost per ton miles?

A. We got the cost per ton mile or as stated on this Exhibit 22, for one hundred ton miles.

Q. By that process of division you got the cost per ton mile, did you?

A. Yes sir.

Q. What was it?

A. 4.918 mills.

Q. And for one hundred ton miles it would be one hundred times that or 49.18 cents?

A. Yes sir.

Q. In that way you reached the expense per ton mile of Missouri's part of the Wabash system, for their freight business in 1906, did you?

6019 A. Yes sir.

Q. And you assumed that the same expense per ton mile was incurred in 1904?

A. Yes sir.

Q. Now, how did you arrive then at the total freight expenses for 1904?

A. We multiplied the ton miles for 1904, by the cost per ton per mile of 4.918 mills.

Q. That being the cost per ton mile in 1906?

A. Yes sir.

Q. Yes sir.

And in that way you arrived at the State expenses for 1904?

A. Yes sir.

Q. What were they?

A. The total freight expenses established in that way were $1,690,873.96.

Q. That is shown in the third paragraph of figures?

A. Yes sir.

Q. How did you get the operating expenses of inter-state freight, shown on this statement to be $1,487,204.97?

A. We multiplied the ton miles of interstate freight by the figure representing the cost per ton per mile, 4.918 mills.

Q. How did you get the operating expenses for the handling of the State freight, in the same way?

A. In the same way.

Q. According to that calculation what were the net earnings on the State freight business for the year 1904?

6020 A. Considering the operating expenses only, $577,413.35.

Q. This is on the theory that the State freight cost the same to handle, per ton per mile, as all freight: That is right, isn't it?

A. Yes sir.

Q. Upon the assumption that it cost twice as much to handle it per ton mile as the interstate freight costs, what would have been the net earnings?

A. $417,544.44.

Q. Suppose it cost three times as much: How much would be the net earnings?

A. $288,699.84.

Q. At the foot of this Exhibit 22, did you make certain deductions from the net earnings on the State freight: Just explain those if you will, as briefly as you can.

A. We have deducted the loss which the company claims it would have sustained for 1904, if the Law of 1905 had been in effect——

Q. And taxes?

A. Yes sir, and taxes. The first figure is shown in Exhibit #2 as $32,405.96.

Q. What do you show it?

A. We have reduced that to $23,631.35——

Q. What is the reason for that reduction?

A. Taking out the losses on live stock, loaded or unloaded, in Kansas, at Kansas City.

6021 Q. You say that losses on live stock loaded in Kansas: Where do you get those figures?

A. We used the figures testified to by Mr. Tobin.

Q. Have you in this statement added to the freight earnings the amount which has been testified to in this case, the additional amount which it has been testified in this case the company would have received if they had charged on commodities, mentioned in the Act of 1905, the full amount allowed by that Act?

A. No sir.

Q. You have not taken that into consideration at all?
A. No sir.

Mr. LADD: I will offer in connection with Exhibit 22 an explanatory statement which has been read by Mr. Taliaferro, which may make some matters in Exhibit 22 a little plainer. Perhaps it contains some matters he has already testified to, but I would like to have this go in with Exhibit 22.

The paper referred to is marked Defendant's Exhibit 22-*a*.

Said Exhibit is in the words and figures following, to-wit:

6022 The hour of five p. m. having arrived, adjournment was here taken until tomorrow, Wednesday, January 9, 1907, at ten o'clock a. m.

ST. LOUIS, WEDNESDAY, *January* 9, 1907.

Met pursuant to adjournment as above on Wednesday, January 9, 1907, at ten o'clock a. m., in the Federal Building in the city of St. Louis, Missouri. The following proceedings were had.

Direct examination of A. P. TALIAFERRO continued as follows by Mr. Ladd:

Q. Mr. Taliaferro, have you prepared a statement for the calendar year 1906, based upon the same assumptions and hypotheses as are contained in Exhibit 22, about which you testified last evening?
A. Yes sir.

Mr. LADD: I will identify and offer in evidence this paper and ask that it be marked "Defendant's Exhibit 23."

Objected to by Counsel for Complainant.

Objection overruled.

The MASTER:

Q. Is Exhibit 22-*a* equally applicable to Exhibit 23?

Mr. LADD: *Yes*, Exhibit 22-*a* explains the method by which certain figures were reached.

The MASTER: So, in connection with Exhibit 23 *23* are also to consider Exhibit 22-*a*?

Mr. LADD: Yes sir.

Exhibit 23 is in the words and figures following, to-wit:

6023 Q. Upon the theory that the operating expenses per ton per mile on State freight are the same as the operating expenses per ton per mile on interstate freight, what were the net earnings of the company in the year 1905 on intra-state freight?
A. $581,799.01, not considering the losses under the new law, and the taxes.
Q. We will get to that later. Now, upon the assumption that the cost per ton per mile of State freight was twice as great as the cost of the ton per mile of interstate freight, what would have been the net earnings?
A. $412,233.22.

Q. Assuming that the expense per ton per mile on intrastate freight was three times as great as the same expense for interstate freight, what were the net earnings on intrastate freight?

A. $273,496.67.

Q. I understand that in this statement you have taken the freight earnings of the company in Missouri for that year, as shown by the Complainant's Exhibit No. 4, and added to that the miscellaneous freight earnings as shown by Exhibit 6: Is that right?

A. Yes sir.

Q. Now, at the foot of this statement are certain deductions: One is for losses under the Law of 1905 amounting in each year to $27,-613.50: Where did you get those figures?

A. Those are the figures reported by the Wabash Company in their Exhibit 2, less loss on live stock loaded and unloaded at points in Kansas, as testified to by Mr. Tobin.

6024 Q. And how did you arrive at the deductions for taxes, amounting to $24,033.40?

A. We took the figures shown in Exhibit 4 and deducted the taxes on the Hannibal bridge, which Mr. Tobin testified had been included by mistake, and then took the same proportion of the amount that was left, that the State freight earnings bore to the gross earnings in the State.

Q. Is that the same proportion that was adopted by Mr. Tobin in the preparation of his statement, as to taxes?

A. It did not go that far, of course. The taxes were set up as a whole. The taxes were divided on the same basis as the operating expenses were in the statement submitted by the Complainant.

Q. The total deductions on that account are $51,646.90, leaving the net earnings as shown. Upon the theory that the expense of handling all kinds of freight was the same, the net earnings would be how much?

A. $530,152.11.

Q. Upon the supposition that the cost of handling the State freight was twice as much per ton per mile as that of interstate freight, what would be the amount after making those deductions?

A. $360,586.32.

Q. Net earnings?

A. Yes sir.

Q. And upon the theory that the intrastate freight cost three times as much to handle as the interstate freight, after making

6025 those deductions for losses and taxes, what would have been the net earnings on the intrastate business?

A. $221,849.77.

Q. And in this statement, Exhibit 23, as well as Exhibit 22, you may state to the Court the extent of their reference to the Missouri Pacific Railway statement, Exhibit 19, for the month of October, 1905.

A. In making these statements we assumed that the State freight revenue of the Wabash Railroad Company had earned as much per ton per mile as the State freight revenue of the Missouri Pacific Railway Company in the month of October, 1905: or, 1.6619 cents per ton per mile.

Q. You assumed in the preparation of these two statements, that the average earnings per ton per mile of the Wabash Railroad Company on its purely State business were the same as you ascertained to be the earnings of the same kind of business on the Missouri Pacific Railway Company, for the month of October, 1905: Is that it?

A. Yes sir.

Q. And is that the only assumption which is based upon the Missouri Pacific statement?

A. Yes sir.

Q. All the rest of it is based upon Wabash figures, is it?

A. Yes sir.

Q. Did you prepare the Exhibit which I will now have identified as Exhibit 24, which deals with the business of the Wabash Company for the calendar year 1905?

A. Yes sir.

6026 Mr. LADD: I will offer in evidence this statement referred to as Exhibit 24.

The paper is marked Defendant's Exhibit 24.

Said paper is in the words and figures following, to-wit:

6027 Q. Now, in that statement how did you arrive at the freight revenue for the intrastate freight earnings for Missouri, amounting as appears in the statement to $794,043.81?

A. We used the figures shown in Exhibits 4 and 6 filed in this case, No. 4 for freight revenue as it is termed here; and No. 6 for the miscellaneous freight earnings.

Q. The item of $717,221.68 is taken from the Complainant's Exhibit 4, which is a showing of intrastate freight earnings?

A. Yes sir.

Q. And the miscellaneous freight which you have added to it, amounting to $76,822.13 is taken from Exhibit 6 prepared by the Complainant: Is that right?

A. Yes sir.

Q. Now, according to that, what was the ratio of the intrastate freight earnings to the total freight earnings in the State that year?

A. 26.08 per cent.

Q. This statement shows the total expenses applicable to the above earnings, that is intrastate freight earnings, $644,565.49: How did you arrive at those figures, that aggregate?

A. We first took 56.56 per cent of the total operating expenses——

Q. Why did you do that?

A. That was the proportion of freight expenses to total expenses in the last half of the calendar year 1905——

Q. How do you know that?

6028 A. As testified to by Mr. Tobin.

Q. And 56.56 per cent of the total operating expenses amounted to $644,565.48——

A. No sir.

Q. What is it?

A. 56.56 of the total operating expenses, exclusive of taxes, gave

the total operating expenses of the freight business on this basis. We then took 26.28 per cent of that figure.

Q. 56.56 per cent is the percentage of operating expenses on the whole freight business of the total operating expenses?

A. Yes sir.

Q. I understand that. How did you get at the expenses applicable to the intrastate freight business. I see you have used the ratio of 26.08 per cent: Why did you do that?

A. We assumed in this statement that the expenses of doing intrastate business were exactly in the proportion to the total freight expenses, that the intrastate earnings were to the total freight earnings.

Q. The intrastate earnings being 26.08 per cent of the total freight earnings you proceeded upon the theory that the freight expenses were 26.08 of the total expenses?

A. Yes sir.

Q. And that 26.08 per cent results in the figures $644,565.48 shown on this statement: Is that right?

A. Yes sir.

Q. Upon that basis what were the net earnings of the company on its intrastate freight business for the calendar year 1905?

6029 A. $149,478.33.

Q. This statement uses this language at the foot of the statement: "This showing assumed that the State freight earnings cost as much in proportion to revenue as interstate freight earnings, but the higher revenue per ton per mile on State as compared with interstate should be considered": Is that right?

A. Yes sir.

Q. This is on the assumption, then, that the cost in proportion to revenue of handling of State and interstate freight is the same. Is that right?

A. Yes sir.

Q. If that is true, is this also true: If you are figuring twice as much per ton per mile on State freight as you do on interstate freight, are you also at the same time figuring twice the cost per ton per mile for handling it?

A. In this statement?

Q. Yes.

A. Yes sir.

Q. Is that true if the revenue was three times, the statement is based upon the theory of the cost being three times as much?

A. Yes sir.

Q. I see you have a memorandum here in regard to expense for maintenance of way and structures: In the preparation of this statement, what have you adopted as your basis for the expenses of maintenance of way and structures: The figures given by the railroad company in this case?

6030 A. Yes sir, in making up the total of $644,000.

Q. You have taken their own figures?

A. Yes sir.

The MASTER: $142,881.96?
A. Yes sir.

Mr. LADD:

Q. Those are based on their figures?
A. Yes sir.
Q. What have you to say about those figures which have been rendered here by the company for maintenance of way and structures?
A. The company's figures for maintenance of way and structures were 30 and a fraction per cent of the total figures for the system.
Q. How do you know that?
A. I have a copy of their figures which shows that and I have worked it out and proved it.
Q. Do you know whether Mr. Tobin testified to that?
A. I think he said about 30 per cent. I am not using his exact figures.
Q. Their figures are based on charging to Missouri 30 per cent of the total expenditures of the system for the maintenance of way and structures?
A. Something over 30 per cent.
Q. What have you to say about that? Do you think that is fair?
A. We thought that as Missouri has only 25.98 per cent of the total road mileage, a charge to Missouri of 25.98 per cent of the total expenses for maintenance of way and structures was
6031 full high.
Q. Suppose that expense had been apportioned to Missouri on the basis of mileage, how much if any less would it have been than the figures which you have incorporated in this statement?
A. The figure of $142,881.96 would have been reduced by the sum of $19,844.71.
Q. How much would the net earnings have been increased if that reduction for maintenance of way and structures had been reduced in that way?
A. The net earnings would have been increased by $19,844.71 or to $169,323.04.
Q. After deducting this charge, this $19,844.71, on account of maintenance of way and structures, which for the purposes of this question we will call excess charge, what would be the ratio of operating expenses to earnings in the State—all earnings that is I suppose?
A. No sir, this figure applies strictly to the intra-state freight.
Q. Very well: What was the ratio of operating expenses to the earnings, after making that reduction?
A. 78.68 per cent.
Q. Do you know what constitutes the group designated by the Interstate Commerce Commission and generally recognized the railroads of the country as "Group 6": What States?
A. I have consulted the map and made a memorandum of the territory that is covered.

Q. State what is in that group.

6032 A. The group embraces Illinois, Wisconsin, Minnesota, Iowa, parts of North and South Dakota and that portion of Missouri lying north of the Missouri River. That group included the lines of the Wabash Railroad west of Danville, Illinois.

Q. It takes in all the Wabash lines?

A. Not all. Only the lines west of Danville, Illinois.

Q. All the part that lies in Missouri?

A. It takes in all the lines in Missouri. It is possible that that group does not include St. Louis and Kansas City. I am not sure about that but with that exception it includes the lines of the Wabash Railroad in Missouri. I suppose that would apply also to the line to the Missouri River, from St. Louis to St. Charles.

Q. What is the percentage in that group, of operating expenses to earnings, in the year 1904?

A. The percentage of operating expenses to gross earnings, all earnings and all expenses included, was 65.90 per cent.

Q. And for the previous year?

A. For the year ending June 30, 1903, 62.72 per cent.

Q. Suppose you apply that percentage of 65.90 to the intrastate freight earnings for 1905, of the Wabash Railroad Company in Missouri, what would be the figure for the operating expense connected with that traffic?

A. $523,274.88.

Q. And assuming that to be the expense, what would have been the net earnings for 1905?

A. $270,768.93.

6033 Q. On intrastate traffic?

A. Yes sir.

The MASTER:

Q. You mean in Missouri, I take it?

Mr. LADD: Oh, yes, this is all intended to be Missouri. The heading indicates that.

Mr. LADD:

Q. If from this figure $270,768.95 you deduct taxes and the amount the company or its officers testified it would have lost had the new rate been in effect, what would there still remain as the net earnings?

A. $219,122.03.

Q. This statement Exhibit 24, I would like to ask you about it, whether it had any reference whatever to any of the items or percentages shown in the statement 19, which purports to cover the business of the Missouri Pacific Railroad Company for the month of October, 1905?

A. No sir.

Q. Does this have any connection with that statement or any of the figures in it?

A. No sir.

Q. Mr. Taliaferro, what are the figures which have been given

here by the Wabash Company as to the expenditures per mile in Missouri for maintenance of way and structures, in the year 1904?

A. In the year 1904 the figure is $1731 per mile in round numbers.

Q. Where did you get that?

A. We divided the sum charged to Missouri in the year 1904, $1,132,164.38 by 654 miles.

6034 Q. That is the road mileage in Missouri?

A. Yes sir, the road mileage in Missouri.

Q. How much did that make per mile?

A. $1,731, in round figures.

Q. That is for maintenance of way and structures?

A. Yes sir.

Q. Have you prepared a statement which I will identify now as Exhibit 25, showing the average expenditures for a number of years of all the railroads in the United States, for maintenance of way and structures?

A. Yes sir.

Q. It is shown on this statement Exhibit 25?

A. Yes sir.

Q. For the different years, from 1894 to 1904?

A. Yes sir.

Q. Does this statement also show the average gross earnings per mile of all the railroads in the United States?

Mr. MINNIS: I object to this statement. It would be impossible to treat it as anything but an ex parte statement. I do not think we could examine those statistics. If there are any authentic statistics on the subject that would be different.

Mr. LADD:

Q. Where did you get those figures?

A. From the report of the Interstate Commerce Commission.

Mr. LADD: I will offer in evidence the paper marked Exhibit 25.

The paper referred to as Exhibit 25, is in the words and figures following, to-wit:

6035 Q. These figures that are shown on Exhibit 25 are taken from the statistical reports of the Interstate Commerce Commission, are they?

A. Yes sir.

Q. The first column under the head of "gross earnings" is intended to show the average gross earnings per mile for the different years, it is?

A. Yes sir.

Q. That is gross earnings of all kinds?

A. All kinds.

Q. For the hauling of freight, passengers, etc.?

A. Yes sir.

Q. What are the figures shown by the Complainant here, for maintenance of way and structures, per mile in Missouri, for the calendar year 1905?

A. In round figures $1,481.

Q. What charge is made by the company to Missouri, per mile, for maintenance of equipment, for the year 1904?
A. In round figures $1,249 per mile.
Q. And for 1905?
A. $1,344 per mile.
Q. Doesn't the last column in Exhibit 25 show the average per mile of all the railroads in the United States for maintenance of equipment for a series of years?
A. Yes sir.
Q. All this information in Exhibit 25 you have taken from the statistical reports of the Interstate Commerce Commissions, have you?
6036 A. Yes sir.
Q. Mr. Taliaferro, did you prepare the paper which I shall not have marked Defendant's Exhibit 26 to identify it?
A. Yes sir.
6037 Q. What does Exhibit 26 purport to show, generally?
A. It shows the revenue per ton per mile in cents, under the rates fixed by the Act of 1905, using the carload minima prescribed by the Act, and where they are not prescribed by the Act, as in the case of live stock, the carload minima shown by the tariff of the Board of Railroad and Warehouse Commissioners of Missouri.
Q. When you say "Minimum" you mean minimum weight?
A. Yes sir.

The MASTER:

Q. Does that Exhibit include all the commodities that are governed or included, to be governed by the Act?
A. Yes sir.

Mr. LADD:

Q. And refers only to such commodities the rates on which are fixed by the Act of 1905?
A. Yes sir.
Q. How do these rates, speaking generally, compare per ton per mile with the earnings per ton per mile on interstate carload freight as shown by the business of the Missouri Pacific Railway Company for the month of October, 1905.

Objected to for the reason heretofore stated, that the Missouri Pacific figures are not to be used here.
The MASTER: The objection is overruled and I will hear the testimony.

A. The Missouri Pacific figures as shown by Exhibit 19 was 6.67 miles per ton per mile, or less than the lowest figure shown in the body of Exhibit 26, except for the 350 mile haul on articles
6038 in the column headed "grain, flour, etc." the last column on this Exhibit?
Q. The Act of 1905, as I understand, applies only to carload freight?
A. Yes sir.

Mr. MINNIS: That is objected to. I do not think we need have the law sworn to here. We will find out what that means when we get to that subject. We do not need to prove by a layman from New York what Missouri laws are.

The MASTER: If there is any question about it, the witness may state that he has treated it in this statement as if the law applied only to carload freight.

Mr. LADD:

Q. You have done that, have you, Mr. Taliaferro?

A. Yes sir.

Q. You have applied it in this statement as if rates applied only on carload traffic?

A. Yes sir.

Q. When you took the revenue per ton per mile of the Missouri Pacific Railroad Company, for the month of October, 1905, on its interstate traffic, it is the carload traffic, is it?

A. Yes sir.

Q. Have you examined Complainant's Exhibit 12, being the blue print offered in evidence, and worked out from it the average cost per ton mile to the company for hauling freight in Missouri, for the year ending June 30, 1906?

A. Yes sir.

6039 Q. What did it amount to?

A. The figure is 4.918 mills. That is based on the revenue ton miles and the freight expense testified to, less the $113,000 for new equipment.

Q. That is gathered from this blue print Exhibit 12?

A. That is the basis for my figures.

Q. How much do you say, 4.918 mills?

A. Yes sir.

Q. Per ton mile?

A. Yes sir.

Q. What is the very lowest rate per ton mile which this Act of 1905 authorizes, for the longest haul?

A. The figures here are only worked out for distances up to 350 miles.

Q. Well, give it for 350 miles.

A. 6½ mills.

Q. As compared with 4.9 mills the average cost per ton mile of their business: Is that right?

A. Yes sir.

The MASTER:

Q. That, as I understa-d it, has reference not alone to local or State business but all the business?

Mr. LADD: Yes, all the freight business in the State.

Q. I wish you would look at page 41 of the Annual Report of the Directors of the Wabash Railroad Company for the fiscal year ending June 30, 1906, and state what is shown there to be the revenue per ton mile for freight of the entire system.

A. The figure shown there is 0.5435 cents.

6040 Q. What did that mean?

A. It means nearly 5½ mills.

Q. And the lowest rate authorized by this Act of 1905, is what?

A. 6½ mills for a 350 mile haul.

Q. According to this same page of the report, what was the average cost per ton per mile of all the freight on the system for that year?

A. 3,980 mills.

Q. These figures as shown in this report include all kinds of revenue freight, don't they?

Mr. MINNIS: I suggest he offer the item. I would like to have the record show when Mr. Taliaferro is testifying to his own figures and when he is testifying to someone else's figures. If he wants to offer a part of the book let him read the item.

The MASTER: I- appears very clearly from the evidence of the witness that the last figure given by him was taken from the book he holds in his hand.

Mr. LADD: The question I asked you was, does that include all kinds of revenue freight?

The MASTER: As shown by the report?

A. On page 41 of the Wabash Company's annual report for 1906, I find this: "Rate per ton per mile, revenue tons, year ending June 30, 1906, 5.435 mills."

Q. We already have that. The question I asked you was, does that include all kinds of revenue freights?

A. The report so stated.

6041 Q. State and inter-state carload and less than carload: Is that right?

Mr. MINNIS: I object. It is perfectly apparent that he is testifying to what the report shows. I understood Your Honor to so state. He has read what the report says. Now Mr. Ladd wants the witness to state something the report does not show at all.

Mr. LADD: . .

Q. I will ask you, as an accountant, familiar with methods of making up accounts, whether this report means that that includes all kinds of revenue freight, whether State, interstate, carload or less than carload.

A. My understanding is that it does.

Mr. LADD: I will offer in evidence Page 41 of this report, being the annual report of the Wabash Railroad Company for the fiscal year ending June 30, 1906.

Page 41 referred to is in the words and figures following, to wit:

Q. Please look at Page 29 of that same report and state

6042 what the average haul of freight was for that year, according to that report.

A. 252 miles.

Mr. MINNIS: I make the suggestion that this testimony is more in the form of a brief. It seems to me on presentation of the case in the Argument these references should be made to the report.

The MASTER: It will be very convenient to find these references to a particular page of a certain report, and it will very much facilitate the review of the witnesses' testimony, in connection with the testimony, taken in its logical connection with the matter now being testified to.

Mr. MINNIS: I intended in my brief to make the citations. This is merely making a brief in the record. In connection with the testimony it is a brief of counsel's position.

Mr. LADD:

Q. The average haul is 252 miles?

A. Yes sir.

Q. According to this statement Exhibit 26, what is the lowest maximum rate allowed by the Law of 1905 on a 250 mile haul?

A. On all of the commodities?

Q. No. The very lowest on a 250 mile haul.

A. 7.6 mills.

Q. Did you prepare the statement which I will refer to as Exhibit 27?

A. Yes sir.

6043 Q. Did you prepare it from the books and records and way-bills of the Wabash Railroad Company?

A. It was prepared from the way-bills. I do not mean that I did the work, actually, myself.

Q. It was done under your supervision?

A. Yes sir.

Q. It is correct?

A. I believe it to be.

Mr. LADD: I will offer in evidence this paper and ask that it be marked Defendant's Exhibit 27.

Exhibit 27 is in the words and figures following, to-wit:

6044 Q. What does it purport to *who*, this paper marked Defendant's Exhibit 27?

A. It shows the earnings on freight billed out of 27 stations on the Wabash Railroad in the month of October, 1905, that is, the earnings as shown by the way-bills. And it also shows the earnings that might have been received had the maximum rates fixed by the Board of Railroad and Warehouse Commissioners and by the Law of 1905, been observed.

Q. I see you have this headed this way: "If Missouri statute rates had been applied": You mean the rates fixed by the statute and by the Board of Railroad Commisssioners, don't you?

A. Yes sir.

Mr. LADD: I will add that to the statement.

Mr. MINNIS: The other statements do not show what they purport to show, just as this does not. It says "If Missouri statute rates had been applied". We refer to Missouri statutes in this case so far,

as the Act of 1905. This is really a statement showing what the earnings would have been had all the rates prescribed by the Board of Railroad and Warehouse Commissioners been applied, and also the law of 1905.

Mr. LADD: That is right, that is inaccurate in that particular and I will have it changed. Perhaps some of these reports are not quite accurate, and that is the reason of my asking him to explain what they are. I will ask to have that heading changed.

Mr. LADD:

Q. How far west on the main line did you begin? What is the first station west, the most westerly station mentioned on this Exhibit?

6045 A. Randolph.

Q. What is the most easterly station in this list?

A. I think Huntsville.

Q. Did you take all the stations between Randolph and Huntsville?

A. I think not. I think there are some small stations that were not taken.

Q. Was there any particular purpose in selecting or omitting stations, in the preparation of this statement?

A. None at all. We understood at the time this was made, (it was one of the first pieces of work we did in the Wabash office) that this was good, representing territory.

Q. This covers the earnings from all purely State freight forwarded from these stations mentioned, in the month of October 1905: That is right, is it?

A. Yes sir.

Q. What was the amount actually received?

A. The freight was way-billed at a total of $10,388.76.

Q. Suppose on the freight mentioned in these way-bills the rates authorized by statute and the schedules of the Board of Railroad and Warehouse Commissioners had been charged, what would have been the receipts of the company?

A. $11,189.52.

Q. What is the difference?

A. $800.75.

Q. What per cent is that, about 8 per cent?

A. About 8 per cent.

6046 Q. The consequence of applying all the legal rates would have been an increase over what they did receive?

A. Yes sir.

Q. They did not charge in all cases what they were authorized to charge by the Act of 1905 and the schedule of the Commissioners: Is that it?

A. That is correct.

Q. Mr. Taliaferro, have you since the hearing before the holidays, made an examination as to the amount of State and interstate freight respectively, handled at certain stations on the Wabash Railroad in Missouri during the month of September, 1906?

A. Yes sir.

Q. Where were the stations?
A. St. Charles, Carrollton, Centralia, Orrick and Stanberry.

The MASTER:

Q. Was that compiled from the original sources, or otherwise?
A. From the way-bills.

Mr. LADD:

Q. What was the amount of intrastate freight handled at Carrollton, in pounds?
A. 2,482,994 pounds.
Q. What was the amount of interstate freight handled during that period at Carrollton, in pounds?
A. 2,070,593 pounds.
Q. These figures you are about to give will all be in pounds, will they not?
A. Yes sir.
6047 Q. What was the amount of intrastate freight handled at Centralia?
A. 2,030,492 pounds.
Q. Interstate?
A. 1,916,892 pounds.
Q. At Orrick what was the amount of intrastate freight handled?
A. 1,024,058 pounds.
Q. And interstate freight?
A. 496,049 pounds.
Q. At Stanberry what was the amount of intrastate freight handled?
A. 2,136,982 pounds.
Q. And interstate?
A. 1,811,017 pounds.
Q. At St. Charles what amount of intrastate freight was handled?
A. 5,550,092 pounds.
Q. And interstate?
A. 14,210,577 pounds. Th-se figures do not include the weight of new cars shipped out of St. Charles, cars manufactured at that point.
Q. Add those in to the intrastate freight: How much was there of intrastate freight in cars shipped out of St. Charles?
A. 6,060,000 pounds.
Q. And interstate manufactured cars shipped out?
A. 1,540,000 pounds.
6048 Q. Add your 5,550,092 pounds, which you first gave as the figure for the intrastate freight at St. Charles, to your 6,060,000 pounds being the weight of the manufactured cars shipped out of St. Charles, to intrastate business, and what does that amount to?
A. 11,610,092 pounds.
Q. Now, in the same method add the weight of the manufactured cars shipped out of St. Charles on interstate business to the first figures you gave?
A. The figure 15,750,577 pounds.

Q. Then what is the total interstate freight handled at St. Charles, in pounds?
A. 15,750,577 pounds.
Q. And of intrastate freight?
A. 11,610,092 pounds.
Q. The interstate is fifteen million and the State eleven million, speaking in round numbers?
A. Yes sir.
Q. Taking the total of all the freight handled at those five stations during that period, what was the number of pounds of intrastate freight?
A. 19,294,618 pounds.
Q. How many pounds of interstate freight?
A. 22,045,128 pounds.

Mr. LADD: I will offer in evidence this statement.
The paper referred to is marked Defendant's Exhibit 28.
Exhibit 28 is in the words and figures following to-wit:

6049 Q. Mr. Taliaferro, have you prepared a statement as to the population per mile of road in the various States and territories?
A. I have worked those figures out in this book (The witness refers to the Statistical Report of the Interstate Commerce Commission for 1906).
Q. Have you a statement?
A. Not to be offered in evidence like these other exhibits.

The MASTER: You have certain figures, but have not tabulated them as yet?
A. That is it.

The MASTER: Better do that.

Mr. LADD: I will give you certain States for which I wish that information.
Mr. Taliaferro, in all these computations you have made and the statements *in* which you have prepared and which have been put in evidence here as exhibits, have you included the earnings or any part of the earnings of the Hannibal Bridge as a part of the State earnings?
A. No sir.
Q. Mr. Miller testified that he did not think the Missouri freight earnings had increased any faster than these system freight earnings since 1904: Now, what proportion do freight earnings of the Missouri part of the Wabash system for the fiscal year ending June 30, 1906, bear to the earnings of 1904?
A. 136 per cent, about.
6050 Q. That comparison is between the earnings for the fiscal year ending June 30, 1906, and the calendar year 1904: Is that it?
A. Yes sir. Freight revenue, not including miscellaneous freight.
Q. What were the freight earnings of the System for the fiscal

year ending June 30, 1906, as compared with the calendar year 1904?

A. About 120 per cent.

Q. The freight earnings in Missouri, then, have increased within that period at a greater rate than the earnings of the System: Is that right?

A. Yes sir.

Q. That is, on the figures which the company themselves have submitted as the earnings?

A. The 1904 figure for Missouri is shown in Exhibit 4.

Q. That was submitted by the company itself?

A. Yes sir, in the statements and testimony, and various ways——

Q. It is shown in Exhibit 4?

Mr. MINNIS: That is not fair. Let the witness finish his answer.

The MASTER: You may state from what sources you derived this last figure.

A. The 1904 figures for Missouri were taken from Exhibit 4. June 20, 1906, figures were those testified to by Mr. Tobin, for Missouri.

Mr. LADD:

Q. Exhibit 4 was prepared by the Wabash Company and filed in this case?

A. Yes sir.

6051 Mr. MINNIS: You compared 1904, which was the World's Fair year, as to freight revenue?

A. Yes sir, freight revenue not including miscellaneous freight.

The usual hour having arrived, recess was here taken until two o'clock.

After recess on Wednesday, January 9, 1907, the following proceedings were had:

Direct examination of A. P. TALIAFERRO was continued as follows, by Mr. Ladd:

Q. Mr. Taliaferro, since the hearing before the holidays have you made an examination of the necessary papers and records in the Wabash Railroad Company's office in this city, to determine the amount of freight carried on through trains from Buffalo to Kansas City, and Chicago to Kansas City, and St. Louis to Kansas City, and back the same route?

A. I have made an examination of the wheel reports of through trains.

Q. What are wheel reports?

A. They are the conductors' reports, showing the cars in the trains that they handle.

Q. Did some one in the Wabash Railroad Company's office indicate to you which the trains were and the sources from which you could get the information?

A. Mr. Forsythe, the superintendent of transportation, picked out the wheel reports for the through trains and turned them over to me. He told me he gave me everything for the last ten days of September, 1906.

6052 The MASTER:

Q. To which period of time this examination referred to was confined?

A. Yes sir, as to the wheel reports.

Mr. LADD:

Q. Mr. Miller testified that in his judgment those through trains would carry on an average 750 tons of freight each: I will ask you what you discovered in that respect as to the tonnage of those trains, for the period covered by your examination.

A. I have here a sheet showing the tons handled in the through trains on the portion of the line between Moberly and Kansas City. I might take train No. 96; that seems to run more regularly than any of the others.

Q. I am asking about those through trains that Mr. Miller spoke about, from Kansas City to Chicago, from Chicago to Kansas City, from Buffalo to Kansas City, and vice versa: You said that from Moberly to Hannibal: is that part of that through train?

A. Yes sir. We did not follow it over the whole road, but only in Missouri.

Q. This is Moberly to Hannibal, is it?

A. No sir, this is Kansas City to Moberly.

Q. How many tons were there?

A. Train No. 96, according to the wheel reports, had

On	September	20th.	376	tons	of freight.
"	"	21st.	287	"	" "
"	"	22nd.	366	"	" "
"	"	23rd.	391	"	" "
6053 On	September	24th.	385	tons	of freight
"	"	25th.	322	"	" "
"	"	26th.	354	"	" "
"	"	27th.	265	"	" "
"	"	28th.	404	"	" "
"	"	29th.	359	"	" "

I do not have any report for that train on the 30th.

There is another train——

Q. Have you the average for that particular train for those ten days, or did you figure that out?

A. Not for that particular train but I can give it to you in a moment.

Q. That was going east?

A. Yes sir, that was going east. (After figuring) The average would be 351 tons.

Q. Have you another train?

A. Train 82——

Q. Let me ask you there, is that an east-bound through train?
A. Yes sir.
Q. Proceed.
A. Train 82 on the 21st had 222 tons.
" " 22nd 374 "
" " 24th 293 "
" " 25th 216 "
" " 26th 263 "
" " 27th 178 "
" " 29th 175 "

6054 Q. Can you give us the average of that?
A. (After figuring.) 246 tons, about.
Q. Have you another one there?
A. There is a train scheduled as No. 92, but that ran on only one day, the 29th. That had 375 tons in it.
Second 92 on the 20th. had 271 tons in it.
Then I have of section No. 96 here:
On the 22nd., 3rd. 96 177 tons.
" " 23rd. " " 340 "
" " 24th. " " 333 "
" " 25th. 2nd. 96 266 "
The third section of No. 96 had on the 25th., 269 tons.
" second " " " " 26th. 325 "
" third " " " " 26th. 221 "
" second " " " " 27th. 308 "
" " " " " " 28th. 383 "
" " " " " " 29th. 294 "

I have read all the figures I have on the east-bound trains, except for the 20th. Train extra and No. 82, 172 tons.
Q. Can you figure out, if you have not done it, without taking too much time, the average of all those east-bound trains?
A. (After figuring.) 300 tons, about.
Q. I understand that these trains were given you as some of the through trains about which Mr. Miller testified, by some officer of the Wabash Company, Mr. Forsythe, I believe you said.
A. Mr. Forsythe is the Superintendent of transportation and he gave me, as I understand it, the wheel reports for all of
6055 the through trains.
Q. For those ten days?
A. Yes sir.
Q. That is what you asked for?
A. Yes sir.
Q. And the wheel reports you say are the conductors' reports?
A. Yes sir.
Q. Is the wheel report the proper source to go to for information upon that point?
A. Well, there is a column called "tonnage of contents" and the weights in that column are estimated to some extent. The merchandise cars are estimated, and the other figures are approximate.
Q. You have not estimated anything or approximated anything?
A. Oh no. I have taken the figures shown by the reports.

Q. You have taken the figures shown by the reports which were given to you?
A. Yes sir.
Q. Are those all the east bound trains you have there?
A. All I have.
Q. How many loaded cars of freight in all did those trains which you have referred to in your testimony just now, carried?

The MASTER:

Q. For the whole ten days?
Mr. LADD: Yes.

6056 A. 580.
Q. Now how many of them, if any, went to Hannibal and no further?
A. According to the wheel reports, which have a column showing the final destination, 52 of those cars were destined to Hannibal.
Q. About ten per cent of them?
A. Almost, yes sir.
Q. How many were destined for St. Louis?
A. 151.
Q. How many to points beyond St. Louis?
A. 6.
Q. How many to points beyond Hannibal?
A. 312.
Q. How many to Iowa points?
A. 23.
Q. I asked you about St. Louis to Hannibal: How many were destined to other Missouri points, if any?
A. 28. That is, there were some cars the destination of which would be shown without being followed by the name of the State,—the name of the place of destination, without the name of the State. And where I found that the Wabash Railroad had such a station—for instance like Wright, Jacksonville or Atlanta, I assumed that was a station of theirs of that name, in Missouri, as for cars going to Boston or New York, etc. is usually showed the State.
Q. How many of those 580 loaded cars contained in those trains were destiner to points in Missouri?
6057 A. 231.
Q. To that extent, then, those rains carried freight which was not destined for Chicago or for Buffalo: Is that right?
A. Yes sir.
Q. Referring to the east-bound cars, you said 231 were destined to points in Missouri?
A. Yes sir. That included St. Louis, Hanpibal, and various points.
Q. How many of the 580 were destined to points east of the Mississippi River or north of the Missouri line?
A. Beyond Hannibal or Iowa points——
Q. There were 231 destined to points inside the State: how many destined to points outside the State?
A. 349.

Q. Take the west bound trains for that same period and give the tonnage of those. Were those also given you by the same gentleman, Mr. Forsythe?

A. Yes sir.

Q. What is the showing of them as to tonnage?

A. Train No. 95 on the 20th. contained 382 tons.

"	"	"	21st.	338	"
"	"	"	22nd.	184	"
"	"	"	23rd.	281	"
"	"	"	24th.	388	"
"	"	"	25th.	157	"
"	"	"	26th.	412	"
"	"	"	27th.	82	"

6058 Train No. 95 on the 28th. contained 191 tons.

"	"	"	29th.	278	"
"	"	"	30th.	279	"

Q. What is the average of those?

A. About 270 tons.

Q. Proceed.

A. The Second 95 contained on the 20th. 360 tons.

"	"	"	"	"	"	21st. 306	"
"	"	"	"	"	"	22nd. 293	"
"	"	"	"	"	"	23rd 330	"
"	"	"	"	"	"	24th 325	"
"	"	"	"	"	"	25th 317	"
"	"	"	"	"	"	26th 232	"
"	"	"	"	"	"	27th 272	"
"	"	"	"	"	"	28th 294	"
"	"	"	"	"	"	29th 83	"
"	"	"	"	"	"	30th 340	"

Q. What is the average of those?

A. About 286 tons.

Q. Proceed.

A. The Third 95 contained on the 20th 247 tons.

"	"	"	"	"	"	22nd 139	"
"	"	"	"	"	"	26th 261	"
"	"	"	"	"	"	27th 418	"
"	"	"	"	"	"	28th 269	"

Q. What is the average of that?

A. The average is about 267 tons.

6059 Q. You have spoken of third 95?

A. Yes sir.

Q. But you have given only three or four days: Were those the only days that the third 95 ran?

A. Yes sir, those are the only days for which I had conductors' reports.

Q. Proceed.

A. Train No. 97 on the 20th. contained 77 tons.

"	"	"	21st.	146	"
"	"	"	22nd.	327	"
"	"	"	23rd.	316	"
"	"	"	25th.	80	"
"	"	"	29th.	327	"

There was an extra report,—I don't know what the trouble was, but there were two reports for No. 97 on the 29th. I have given the tonnage of one as 327 tons; and the other was 393 tons. I made these figures at night and I had no opportunity to see Mr. Forsythe about them.

Q. You mean to say that there were two reports of the same train?

A. Yes sir. I could not find anything on them to show that they were not both No. 97 and ran on the 29th.

Q. One was for 393 tons and the other 237 tons and if you strike the average, what is the tonnage of that train?

A. That will not do, because there were two trains.

Q. Well, take the average of the whole thing.

A. The average is 238 tons.

6060 Q. Have you any more there?

A. Train No. 91 on one day, from Moberly to Brunswick, that was the 2?rd, contained 308 tons.

Q. Anything else?

A. Those are all the trains I have a record of, between Moberly and Kansas City.

Q. All the through trains.

A. Yes sir.

Q. Now, what is the average tonnage of all of those westbound trains.

A. The tonnage of the westbound trains averaged 270 tons per train.

Q. What was the average for all there is in both directions?

A. 283 tons, about.

Q. Did you find any train that carried 750 tons?

A. No sir.

Q. That was the largest volume of freight on any one of those trains?

A. Train third No. 95 west bound on the 27th is shown to have carried 418 tons.

6061 Q. Mr. Miller testified, according to my recollection, that what he called the way business or local business, was less on the Buffalo Division than on any other division of the road: Do you remember that?

A. The cost per ton per mile?

Q. No. I am talking about the way or local business was less on the Buffalo Division than on any other division of the road: Do you remember that he testified to that?

A. Yes sir, that is my recollection.

Q. And that the business on the Buffalo Division, which as I recollect was from Detroit to Buffalo, was for that reason much more largely a through business than on any other single division of the road:

Now, I wish you would take this blue print Exhibit 12 offered by the Complainant, and you will find there a column headed "tons per loaded car mile"; Will you first explain what that means "tons per loaded car mile"? That is an expression which I think has not bee- used here up to this time.

A. That means, as I understand it, that for every mile a loaded car is hauled, there were so many tons handled. This is an average number of tons handled for each mile the loaded cars are hauled.

Q. According to this blue print (Exhibit 12) what was the number of tons per loaded car mile on the Buffalo Division?

A. 16.90 tons.

Q. How much was it on the Moberly Division, which includes Missouri?

6062 A. 18.72 tons.

Q. How much more, then, did every loaded car moving on the Moberly Division contain on the average than the loaded cars on the Buffalo Division?

A. 1.82 tons.

Q. Now, if the trains, or the most of them, running on the Buffalo Division, are through trains, what does this showing as to the excess of ton per loaded car mile in the Moberly Division over the Buffalo Division, indicate?

A. Why, I think it would indicate that, taking the freight and the trains of all classes, the cars used for freight on the Moberly Division were loaded more heavily than on the Buffalo Division.

Q. What does it indicate as to the comparative amount of tonnage on what have been called here "way or local trains" in Missouri?

A. I think on the face of it, it would indicate that the cars in local trains carried more tonnage than the cars — through trains.

Q. In Missouri?

A. Yes sir, in Missouri, or on the Moberly Division.

The MASTER:

Q. Are you sufficiently informed to give an opinion as to the fact in that respect?

A. No sir. Except that this occurs to me: That the wheel reports I saw, indicated that loaded cars for New York, Boston and points in the east were largely loaded with dressed meats, eggs, cattle and commodities of that kind, which are not loaded heavily. I think that is a partial explanation of it, at least.

6063 Mr. LADD:

Q. Would or would not the result of that be to make a larger amount of tonnage on the local or way trains in Missouri?

A. I don't think that would necessarily follow, for the reasons I have stated: That the through trains on the Buffalo Division are, I am under the impression, loaded with this class of freight which is not heavily loaded.

Q. How is it with the through trains in Missouri? Is it true also of them?

A. Certainly not to such a great extent.

Mr. MINNIS: What is this, opinion or fact?

The MASTER: That was in answer to a question by the Master, elaborated somewhat by Mr. Ladd.

Mr. Taliaferro, if you have an opinion, I wish you would state it,

as to whether as a matter of fact the local or way freight cars carry more or less tonnage than the through freight cars.

A. If you mean by that, sir, that the "local freight" car is a car which is carrying less than carload freight and which is unloaded and other freight put in its place, at various stations, the tonnage of those cars is necessarily much less than the carload tonnage.

Q. How about the average freight carload in the local trains?

A. Taking the carload business, I think just as heavy loads are carried in the local as in the through trains, because many of them originate or end at local stations, and are handled to and from
6064 divisional points, as I understand it, on local trains.

Q. In those estimates did you include freight shipped in less than carload lots in deriving your tonnage in the local tra-ns—I mean the average of tonnage in the cars on the local tra-ns.

A. I did not understand you to ask me, sir, if I thought the tonnage of the local trains was as great as the total tonnage of the through tra-ns; But whether the cars handled by local tra-ns were as heavy as those in through trains?

Q. Yes, that is what I asked.

A. The average tons per train mile, according to this Exhibit 12, on the Moberly Division, were 234½ tons, and the average of the through trains as we took them from the wheel reports for the ten days, and taking the trains between Moberly and Hannibal, Moberly and Kansas City, Moberly and St. Louis, a total of 166 trains for ten days, showed an average tonnage of 276½ tons.

Now, this was in September of this year, whereas the figures in the blue print, Exhibit 12, was for the year ending June 30, 1906.

It is a question whether the tons per train mile have not greatly increased in the last year and a half. That I cannot speak of from any positive knowledge.

Mr. LADD:

Q. The blue print, Exhibit 12, shows that the average tons in the Moberly Division was 234½ tons: Is that right?

A. Yes sir.

Q. And what is the average tons of through trains that you examined for the ten days?
6065 A. 276½ tons.

Q. Suppose this blue print instead of showing the average for the year ending June 30, 1906, as it does, showed 234½ to be the average for those ten days, what inference would be drawn from those figures, as to the tonnage of the local trains or way trains?

Mr. MINNIS: That is objected to as incompetent. That would show the two reports would corroborate each other.

The MASTER: Neither the Master nor the Court would be bound by the inference he would draw, but he may state what inference he would draw.

Mr. MINNIS: If his supposition is correct it is perfectly self evident and patent what they would show.

A. I think it would go to show that all trains other than through trains must have handled in the neighborhood of 200 tons apiece.

Mr. LADD:

Q. In Missouri?

A. Yes sir, in Missouri.

The MASTER: And that would include trains carrying cars loaded with less than carload freight?

A. Yes sir.

Mr. MINNIS: That is based upon a supposition that is not true. That is, that the blue print Exhibit 12 covered the same period that the ten days covered.

The MASTER: That all appears very clearly, Mr. Minnis.

Mr. LADD:

Q. Please look at blue-print Exhibit 12 what has already
6066 been referred to, and the column headed "tons per car mile, loaded and empty"; How much was it for the Buffalo Division?

A. 12.35 tons.

Q. How much was it for the same period, the fiscal year ending June 30, 1906, for the Moberly Division?

A. 12.74 tons.

Q. It was 39/100 tons greater on the Moberly Division than on the Buffalo Division?

A. Yes sir.

Q. I will ask you whether that means that every car, loaded and empty, on the Moberly Division, carried on an average that much more freight than every loaded and empty car on the Buffalo Division, per mile?

A. That is my understanding of the figures.

Q. Will you please look again at blue print Exhibit 12, under the columns headed "tons per train mile," and state what it shows as to the number of tons per train mile on that part of the road between St. Louis and Moberly?

A. 256.43.

Q. And on that part of the road between Hannibal and Moberly?

A. 217.9.

Q. And that part of the road between Moberly and Kansas City?

A. 242.07 tons.

Q. Those figures are based on all kinds of freight business, aren't they?

6067 A. Yes sir.

Q. Through and way or local?

A. Yes sir, that is my understanding.

Q. It has been stated here that from Hannibal to Moberly this company does not do any local business: Will you state what the blue print shows as to the number of tons per train mile on that part of the road?

A. 217.9 tons.

Q. It appears from the blue print which you have just referred to (Exhibit 12) and the figures which you have just read from the blue print, that this is the average loading of all the trains: Is that what that means?

A. Yes sir.

Q. The average tonnage of all the trains on those different divisions?

A. Yes sir, I understand that.

Q. 217,242,256 disregarding fractions?

A. Yes sir.

Q. Including through trains and way trains?

A. That is my understanding of the figures.

Q. Will you refer again to your averages of the tonnage on those through trains for the ten days?

A. Between St. Louis and Moberly west-bound, the average was 306 tons per train.

Q. 306 as against 256 for all the freight?

A. That is in one direction, sir.

Q. I understand that.

A. In the other direction, the east-bound, the average ton-
6068 nage was 300 tons.

Q. Give me the average of those two, is it 303?

A. It is nearer 302.

Q. The average of all the through trains for those ten days, running both ways, between St. Louis and Moberly, is 302 tons; Is that right?

A. Yes sir.

Q. Whereas, the average for the year, of all kinds, as shown by blue print Exhibit 12, was 256 tons; Is that right?

A. Yes sir.

Q. Take Hannibal to Moberly, what is your average on all through trains between Hannibal and Moberly, for the ten days?

A. 231 tons.

Q. And the average shown by the blue print for all trains was 217 tons: Is that right?

A. Yes sir. I understa-d there are no local trains on the part of the line between Moberly and Hannibal.

Q. Have you Moberly to Kansas City?

A. Yes sir.

Q. What is your average there of the through trains?

A. 283 tons.

Q. And the average of all the trains, according to blue print Exhibit 12 was 242 tons?

A. Yes sir.

Q. What inference, if any, do you draw from the fact that the tonnage on all the trains, both through and local approaches so nearly as it does to the tonnage of the purely through
6069 trains.

Mr. MINNIS: Objected to for the reason that the periods are different periods. There is no basis for testimony or any conclusion. There is no evidence with respect to the tonnage of the through trains, except for these ten days in September, and it does not cover any part of the period covered by the blue print Exhibit 12.

Mr. LADD:

Q. I will ask you in this way: What is your opinion as an accountant, familiar with railroad accounts, from that showing?

A. I think if all the through trains averaged only ten or twenty per cent more tons than all of the trains, that the remaining trains, including the local trains, must have carried over 200 tons—I would give that figure as at least 200 tons per train mile.

The MASTER: Of course that conclusion is based on the hypothesis that the same state of facts would appear for the entire period covered by the blue-print Exhibit 12, as your examination showed to have appeared for the last ten days of September, 1906?

A. Yes sir. And this occurs to me: I believe that the local trains can carry a high average tonnage, for the reason that they are handling cars to and from stations, dropping them and picking up others, all along the road. They are not usually taxed with cars that are going through to a divisional point. There is always a considerable movement of empty cars, and when those have to be taken long distances, they are not put on the local trains. The
6070 wheel reports I examined show a great many empty cars.

Mr. LADD:

Q. On through trains?

A. Yes sir, on through trains. Those are the only ones I saw.

Q. Right at that point, as long as you have mentioned it, I will ask you: Did your examination for these ten days disclose the total number of empty cars?

A. Yes sir.

Q. How many empty cars were in those through trains?

A. 62 in those I examined. But they were all east-bound trains. The west bound trains for that particular period were carrying a great many more empty cars compared with the total number of cars in the train, but I have not the detail for that.

Q. You have not the detail of empty cars on the e-st-bound trains?

A. No sir. In looking over the reports I noticed that.

Q. Look at the blue print Exhibit 12 again, under the head of "tons per train mile," and particularly at the showing made by the line from Hannibal to Moberly, on which there is no local business for the Wabash Railroad: How does it compare with the showing on the line between St. Louis and Moberly and Kansas City and Moberly as to tonnage, per train mile?

A. The tonnage is less per train mile on the line between Moberly and Hannibal than it is on the line between St. Louis and Moberly, or between Moberly and Kansas City.

Q. Although they have no local business at all?

A. There is no local business on the line between Moberly and Hannibal, as I understand it, that is, the Wabash has no rights in the stations between those two points.

6071 Q. So it appears from this blue print Exhibit 12 that on those parts of the Wabash Line in Missouri which do a local

business, the tonnage per train mile is larger than on that part of the line which does an exclusively through business: Is that right?

A. Yes sir.

Q. Please look at the blue print Exhibit 12 at the last column of the tabulation headed "cost per 100 ton miles" and state what it shows as to the cost per 100 tons one mile on the Buffalo Division.

A. 27.85 cents.

Q. Take the Peru Division, where does that run from?

A. It is shown here as extending from Toledo to Peru via Montpelier; Peru to Tilton, Maumee to New Haven; and includes the Covington Branch.

Q. Attica to Covington?

A. It is not shown that way here.

Q. What is the total mileage?

A. The total mileage is 360.

Q. In that Peru Division what large terminals are included?

A. There are a number of large towns on that division.

Q. That is what I mean.

A. Toledo, Fort Wayne, Logansport, Lafayette, Danville, Peru, Huntington, Defiance: I think those are all big places.

Q. And others?

A. Yes sir, and others.

Q. Those are all large towns are they?

6072 A. Yes sir.

Q. The cost per hundred tons one mile on the Buffalo Division you say was 27.85 cents: What was the cost on the Peru Division, according to that same blue print?

A. 27.68 cents.

Q. How would the local business on the Peru Division compare with the local business on the Buffalo Division?

A. I cannot speak from personal knowledge, but I know that is a thickly settled country.

Mr. MINNIS: I object to his testifying to something he knows nothing about.

Mr. LADD:

Q. Did Mr. Miller testify on that point?

A. My recollection is he said it was a thickly settled country, and that it had a large local business.

Mr. MINNIS: I object to that. Let Mr. Miller's testimony stand and speak for itself.

Mr. LADD: Under the heading of "tons per train mile", how much were they on the Buffalo Division?

A. 436.32 tons.

Q. How much were they on the Peru Division?

A. 485.66 tons.

Q. About 50 tons more on the Peru Division?

A. Yes sir.

Q. Please look at that blue print Exhibit 12 again, Mr. Taliaferro:

What were the total ton miles of the system for the year ending June 30, 1906?

A. 3,290,395,405.

Q. That included all kinds of revenue freight, didn't it?

6073 A. It included all kinds of freight, company freight as well as revenue freight as I understand it.

Q. What was the total of the Missouri ton miles for that same period?

A. As we worked it out, it is something over 496 million miles.

Q. The blue-print Exhibit 12 shows the total ton miles of the Moberly Division?

A. Yes sir.

Q. At how much?

A. 583,253,874.

Q. You deducted from that the proper proportion of the ton miles which should be allowed to that part of the Moberly Division which runs in the State of Iowa, did you?

A. We deducted Iowa's proportion on a road mileage basis, because we thought that was right.

Q. What did it leave for Missouri?

A. 496,000,000 ton miles, about.

Q. After eliminating that part of the ton miles which belong to Iowa, what is left for the ton miles of Missouri for that period?

A. Approximately 496,000,000.

Q. What percentage is that of the total ton miles of the system for that period?

A. About 15 per cent.

Q. What per cent. of the total freight earnings of the system, both State and inter-state, did Missouri make for that period?

A. Including the miscellaneous freight earnings, in both

6074 cases, Missouri's proportion of the freight earnings of the system for the year ending June 30, 1906, was 21.47 per cent.

Q. Let me see if I understand: Missouri's proportion of the ton miles for that period was 15 per cent of the total ton miles of the system: Its proportion of the freight earnings for the same period was 21.47 per cent of the total freight earnings of the system: Is that right?

A. Yes sir.

Q. Now, what does that indicate as to the rates in Missouri as compared with the rates on the system generally?

Mr. MINNIS: That is objected to. That has nothing to do with rates. That is an inference for the Master to make as well as anybody else.

The MASTER: I will hear his conclusion. The objection is overruled.

A. It indicates that the revenue per ton per mile in Missouri is higher than the average revenue per ton per mile on the system as a whole.

Mr. LADD:

Q. The revenue per ton per mile in Missouri on all kinds of freight, interstate and State, is larger than the revenue per ton per mile on all kinds of freight on the system as a whole: Is that right?

A. Yes sir.

Q. I have a memorandum here, Mr. Taliaferro, from Mr. Miller's testimony, which reads "In fact, there is very little local business done on the Buffalo Division"; Is that true?

A. Very little.

[Page of original copy missing.]

6075 was mistaken in this respect.

Mr. MINNIS: That is not the question.

Mr. LADD: That is the purpose.

Mr. MINNIS: If Your Honor thinks this testimony is material, and these inferences, the case ought to end. I am not attempting to brief my case and will not do so in this record. Mr. Miller mentioned two figures on the blue-print as showing the results of operation in two different divisions. Mr. Miller was then asked to account for the difference in the results on the two divisions and he gave it as his opinion that the result was based on the fact that there was no local business transacted on the one division and that there was on the other.

The MASTER: When we get down to the conclusion to be drawn from this class of testimony, it will be for the Master and afterwards for the Court to determine whether Mr. Miller's testimony has been successfully assailed or not.

Mr. MINNIS: But there is no pretense that the blue-print shows in what division local business was transacted or was not.

The MASTER: In my understanding, as I stated before, I think that this is a proper matter for cross-examination. That blue-print was introduced in evidence by the Complainant in the case and made an exhibit and referred to by Mr. Miller and perhaps other witnesses. Now, they have a right to examine their experts as to what that blue-print disclosed and as to whether or not it does disclose such a state of facts as may modify or possibly contradict other state-
6076 ments by the same witness.

Mr. MINNIS: To be sure. I would not make any objection if I thought that was the force of the question.

The MASTER: That is as I understand it.

Mr. MINNIS: I beg your pardon, Your Honor, but that is not the way I understand the question. He was not talking about two figures, but what in his opinion made the difference in the two figures. If I may read this to you (Counsel here reads from Mr. Miller's testimony).

Now, that is what Mr. Miller testified to. He never testified that the blue-print showed anything about local business. He stated that as a fact entirely aside from the blue-print.

Mr. LADD: He testified that the expense of doing the local business on the Buffalo Division was less than on any other. I propose to show by this testimony that Mr. Miller was mistaken.

The MASTER: That is as I understand it and I think it is perfectly proper cross-examination to do so, if you can, and introduce the statements made by the witness while on the stand, outside of what is shown by the blue-print, and introduce the blue-print itself to contradict the witness in that respect, if it does so. Or, either, for the matter of that, to take the same paper and draw different conclusions than those drawn by Mr. Miller or any witness from that paper. That would be competent from an expert witness.

Mr. MINNIS: I do not question a thing Your Honor has
6077 said about that, but that question does not seem to do that.

Mr. LADD: If Miss Eagan will read the question it will speak for itself; if it does not I will have to re-form it. I may have been unfortunate in my mode of expressing it.

The question read as follows:

Q. "Look at the blue-print and see whether the blue-print shows that statement to be correct or erroneous, as to the cost on the Buffalo Division being less than on any other division".

A. In the last column of the sub-division "cost 100 ton miles" I find that the figure for the Peru Division is 27.68 cents, which is lower than the figure for the Buffalo Division.

Q. How much is that figure for the Buffalo Division?

A. The Buffalo Division is 27.85 cents.

Q. Have you made any examination from the tariff sheets, or have you any information from the tariff sheets and from the way-bills, or other sources, which show the rates actually charged in Missouri, or have you an opinion which you can express as to whether Missouri gets her proper apportionment of the rate earned on interstate business, by the statements rendered here by the Wabash Company?

A. Yes sir, I have a few illustrations. Generally speaking, the rates in effect in Iowa are lower than the rates in effect in Missouri, but under the established percentages in use by the Wabash Railroad Company, Missouri does not get even a road mileage pro-rate on busi-
ness crossing the Iowa line. I would not say it did not in any
6078 single case, but as a general proposition it does not. On account of the arbitrary being allowed the Des Moines Division and the Omaha Division, Missouri is deprived of what would be her proportion of the revenue, if a road mileage basis was used.

Q. That is true, although Missouri's local rates are higher, you say, than the Iowa local rates?

A. As a general proposition. They are higher on the classes and some of these commodities, and lower on some of the commodities.

Q. Then, if the apportionment were made to Missouri for that part of the revenue earned by the Missouri part of the system, upon the basis of the relative rates between Missouri and Iowa, would Missouri get more or less than it would, if it were pro-rated upon a road mileage basis?

A. I think there is no doubt but that it would get considerably more on a pro-rate by rate basis, than on a road mileage basis, although I have not any means of saying how much it would amount to in dollars and cents.

Q. Does that arise from the fact that the rates, generally speaking, in Iowa are lower than in Missouri?

A. Yes sir.

Q. You said, I believe, just now, that it has not been allowed to Missouri even on a road mileage basis: Am I correct about that?

A. Yes sir.

Q. I wish if you have some illustration, you would refer to a few of them, corroborating that statement.

6079 A. In the year 1905, on the business from St. Louis to Des Moines and St. Louis to Albia we found that if the road mileage basis had been used Missouri would have gotten on that business alone, $33,930.44 more than it was allowed. I have given this as on business from St. Louis to Des Moines and Albia. It is possible it covers business in both directions but I don't think so.

On business between St. Louis and the Omaha Division, a mileage pro-rate would have given Missouri $13,439.76 more than was allowed.

We did not work out the figures for 1904 and we did not work out the figures for any other Missouri points.

Of course there is a great volume of traffic crossing the line to and from all points in Missouri. That is, there is some traffic, but just how much I do not know.

Q. You used in both those cases *some* single terminal point in Missouri, and that was St. Louis?

A. Yes sir.

Q. It does not cover any freight shipped from or to any other points on the line in Missouri: Is that right?

A. That is right.

Q. Proceed.

A. Those are the only illustrations I have of Missouri-Iowa business.

Q. How is it about Illinois? But before we pass to Illinois, would the same method of apportionment of the interstate earnings between points on these Iowa divisions which you have men-

6080 tioned, and other points in Missouri other than St. Louis, prevail?

A. Yes sir, as a general proposition.

Q. And you have not undertaken to investigate what difference it would make as to other points in Missouri besides St. Louis?

A. No sir.

Q. Now, proceed and see if you can discover anything with reference to freight passing across the Mississippi River to or from Illinois.

A. On freight passing across the Mississippi River, the established percentages allow Missouri more than a road mileage basis would allow, but we found that in a number of instances they did not allow what the pro-rate by-rate basis would have allowed.

My short examination led me to think there was not a great deal of business billed through from Wabash stations, say, Buffalo and Ohio points, and possibly Indiana, to points in Missouri and Iowa,

but that such business was billed largely on the Mississippi River and re-billed. In that event the established percentages would not have a-ything to do with the division of the revenue.

But there is a great deal of business billed from Chicago across the river into Missouri and into Iowa and in the opposite direction. And between Chicago and Missouri points the pro-rate by-rate basis would have allowed Missouri more than it got.

These illustrations here (indicating memorandum) un-
6081 fortunately are worked out on the new rates in Illinois, which went into effect in July 1906, and they are lower than the rates which were in effect in 1904 and 1905.

On business between Illinois, including Chicago, and Iowa, the rates are the same to all points on the Omaha Division that they are to Kansas City, and because the Omaha Division is allowed an arbitrary of 30 per cent before pro-rating, Missouri gets very much less than a pro-rate by-rate basis would allow in that case.

On business between Chicago and points in Iowa, going up from Moberly, the rates are about the same to Des Moines as they would be to Moberly, but the Des Moines Division is allowed an arbitrary proportion and the remainder pro-rated between lines east and lines west of the river.

Q. Can you give a concrete instance of what you regard as a case of unfairness to Missouri in the apportionment of freight business over the Des Moines Division or the Omaha Division, to illustrate your general statement?

A. Yes sir, I think so. Just as an illustration, the first-class rate from Chicago to Kansas City is eighty cents. The same rate applies between Chicago and Omaha or Council Bluffs.

Q. Let me ask you right there: How freight reaches Omaha or Council Bluffs from Chicago? Does it come down through Illinois, across the Mississippi River at Hannibal and get to Brunswick and from there run northwest to Omaha or Council Bluffs?

A. Yes sir. I have not the Chicago-Omaha rate here but I think I am safe in saying it is the same as to Kansas
6082 City, 80 cents or 100 pounds on first class freight. Under the Wabash Company's established percentages, the Omaha Division would be allowed 50 per cent of that rate, or 24 cents.

Q. Where does the Omaha Division begin?

A. At Pattonsburg.

Q. In Missouri?

A. Yes sir.

Q. How long is the Omaha Division? It runs from Pattonsburg to Omaha?

A. Yes sir.

Q. What is the distance from Pattonsburg to Council Bluffs?

A. 144 miles.

Q. What is the distance from Pattonsburg to North Missouri line?

A. 78 miles.

Out of that rate of 80 cents the Omaha Division would be allowed 30 per cent, or 24 cents, leaving 56 cents to be divided between the lines east and west of the river, from Chicago to Pattonsburg.

The remainder of 56 cents would be divided between Chicago and Pattonsburg half and half to the line east of the river and the line west of the river, giving 28 cents to the line from Chicago to the river and 28 cents to the line west; to which I add 13 cents out of the 24 cents arbitrary deducted, making Missouri's part of the through rate approximately 41 cents.

If that shipment were going to Pattonsburg—I guess
6083 my illustration won't hold on that. It would be divided half and half, then.

Q. That does not illustrate?

A. No sir.

Q. See if you can find one that does.

Mr. MINNIS: Will you please finish that up?

A. It would have allowed Missouri 41 cents. The established percentages would have given Missouri 40 cents, if the shipment had been going to Pattonsburg.

Q. One cent on account of the arbitrary?

A. Yes sir, in that case.

The MASTER:

Q. Would that be more or less than a rate pro-rate division?

A. That would be less than a rate pro-rate.

Q. Would it be more or less than a track mileage division?

A. It would be more than a track mileage division.

Mr. LADD:

Q. You say Missouri would get 41 cents?

A. Yes sir, 41 cents, if I made these calculations correctly.

Q. And what would it get if the shipment was to Pattonsburg?

A. 40 cents assuming the same rate would apply, which I think is true.

Q. How far is it from Pattonsburg to the State line?

A. 78 miles.

Q. Then it gets one cents for carrying it 78 miles: Is that it?

6084 A. The percentage given to the lines west of the Mississippi River is 50 per cent of the through rates from Chicago to Des Moines. The first class through rate at the time this statement was made up a few months ago, was 68 cents. The first class local rate west of the Mississippi River, that is, from Hannibal, was 50 cents. On a pro-rate by-rate basis the lines west of the river would have gotten 53.3 per cent instead of 50 per cent.

On that rate from Chicago to Des Moines of 68 cents, the lines west of the river would be allowed 50 per cent, or 34 cents. Our of that the Des Moines Division would receive 45 per cent, or about 15 cents, leaving for Missouri 19 cents.

The distance from Hannibal to Des Moines is 254 miles, as I figure it, of which about 97 miles is in Iowa. So in that case Iowa is allowed, say, 15 cents for 97 miles and Missouri is allowed about 19 cents for 157 miles.

Q. I would like to ask you your opinion as to the proportionate

cost per ton mile of handling intrastate and interstate business on the Wabash Railroad.

A. I have thought about it a good deal and while of course it is a matter of opinion——

Q. Go ahead. That is what I want, your opinion.

A. I think that the cost per ton per mile of doing State business——

Mr. MINNIS: I object to that for the reason that the witness is not qualified to express an opinion. He is not shown to have been actually engaged in the operation of railroads, except short lines, in the capacities he has stated: and no opportunity of learning by experience the difference between the cost of handling the two kinds of business.

6085

The objection will be over-ruled.

A. I don't believe it is entirely a question of operating experience. The same track is used for both class- of business, continually. The same facilities are used by both classes of business.

Mr. MINNIS: I object to him giving a legal opinion upon it.

A. My opinion is that per ton per mile the cost of the State business will not exceed the cost of inter-state business more than 50 per cent, taking into consideration the extra use of terminals, the shorter haul, and everything I have heard suggested in connection with it.

Q. Do you mean by that State business of all kinds as compared with interstate business of all kinds?

A. Yes sir.

Q. Both carload and less than carload?

A. Yes sir.

Q. In your opinion is the cost of handling intrastate less than carload business greater or less than the cost of handling interstate less than carload business?

A. I think if anything it is less.

Q. What reason can you give for your opinion?

A. In Missouri the large citires are located just on the east and west borders of the State, and those are large terminals, and undoubtedly a great deal of freight is re-handled at those terminals. I believe the cost of re-handling freight unloading it from one car and sorting it and loading it into another car is greater than the cost of receiving it in the warehouse and loading it.

6086

Q. You mean the cost of unloading and re-loading interstate freight?

A. Yes sir, interstate less than carload freight.

Q. Go a little more into detail on that: How is the interstate less than carload freight which is received, say, from another company, handled by the Missouri Pacific Railroad Company?

A. My understanding is that freight received at St. Louis from lines on the east side would be——

Mr. MINNIS: He has no knowledge about how this is handled: that is patent. He does not claim to have any knowledge as to

how they handle that freight. It seems to me we should have the opinion of some one who has actually handled it and knows of his own knowledge something about the transactions concerning which he is giving an opinion.

The MASTER: As I understand it, the witness proposes to give his opinion based upon the assumption that freight is handled in such and such a manner. Of course, if as a matter of fact he does not know, that is a different matter.

Mr. MINNIS: Is not that an expert question? He does not know the fact, never has handled freight, never has had any experience. He is no doubt a good accountant, I do not doubt that.

Mr. LADD: You do not go to the General Superintendent or the General Manager's office to find out if the company is making
6087 or losing money; you go to the Auditor's office.

The MASTER: I think the witness has clearly shown himself at least sufficiently competent to give his opinion. It is for the Master and the Court, in case of conflict of opinion between supposed experts, to weigh the opinions which each may have had, and the several lines of railroad work they may have engaged in, and determine which shall be given the greater credence. But to say the witness is absolutely not sufficiently familiar with this whole line of business to enable him to testify at all on that subject, I cannot agree with that proposition at all.

Mr. MINNIS: He does not know anything at all about this thing he is testifying about. The point I make is, that he has no knowledge that is peculiar. An expert witness is one who possesses peculiar knowledge by virtue of his experience.

The MASTER: The question is how that particular thing is handled. The question now before the Court, assuming it is handled in such and such a way, he draws such and such a conclusion. If it is not handled in that way it may be shown, or it may already have been shown.

Mr. LADD: I will ask you another question:

Have you, in the examination of the way-bills and other papers of the Wabash Railroad Company obtained any information as to the methods in which interstate freight in less than carload lots is handled between connecting lines of which the Wabash Company may be one?

A. No sir. The way-bills do not afford any information on the subject.

6088 Q. I will ask you if you have received any information from any of the officers of the Wabash Company as to that?

A. I talked with Mr. Forsythe the other day for a few minutes, on that subject, and I have talked with other persons about it. I understand that all the freight that comes in from east of the river here at St. Louis and goes out over the lines west-bound, is handled across the river either by drays, or if there is a sufficient quantity to justify it, it is put into a car and delivered on this side to the railroad for which it is intended.

The MASTER: Of course that is not competent evidence to prove

that as a fact. But he may assume that as a fact and reach his conclusion from that assumption.

Mr. LADD:

Q. Who is Mr. Forsythe?

A. Mr. Forsythe is the Superintendent of Transportation of the Wabash Railroad Company.

Q. Now, you may state why, in your opinion, and give all the reasons, it costs more for the Wabash Railroad Company to handle and haul interstate freight in less than carload lots than it does intrastate freight in less than carload lots and on what assumption, if any, you based that opinion.

A. On the assumption that a large part of interstate less than carload lots coming into Missouri and going out of Missouri, at St. Louis, Hannibal and Kansas City, is re-handled at those points; it is taken out of the cars and loaded into other cars.

I think the re-handling of that traffic is more expensive than the acceptance of the traffic at the warehouse door and the further
6089 handling of it from that point.

Q. What do you mean by re-handling?

A. I mean taking it out of one car, sorting it, and putting it into another car.

Q. By the receiving company?

A. Yes sir, by the——

Q. For instance by the Wabash Company? If it receives freight from some company going east of the Mississippi River; Is that what you mean?

A. Yes sir.

Q. What is done by the Wabash Company in respect of such freight, that is not done by the Company in respect of intra-state freight, if anything, at the receiving point?

A. Freight received here from the east in less than carload lots of course would have to be unloaded and sorted out according to destination, and re-loaded. I am informed that freight delivered by shippers here in the city is delivered at the particular warehouse door, according to the destination of the freight, and the handling of it from that time on is a simpler matter than that of taking a lot of freight all jumbled up in a car, out of a car, sorting it and trucking it around and re-loading it.

Q. Do you mean to say there is one extra unloading connected with inter-state less than carload freight?

A. Yes sir, that is what I mean.

Mr. MINNIS: Do I understand that he assumes that as a fact, or states it as a fact?

Mr. LADD: He assumes it as a fact and the testimony of
6090 your own witness shows it is a fact.

Mr. LADD:

Q. At the point of destination on the Wabash Railroad is there any difference in the method of dealing with that freight in order

to get it into the hands of the consignee, that there is in dealing with the same class and volume of intrastate freight?

A. None whatever, in my opinion. At the point of destination both receive the same treatment.

Q. Is that right?

A. Yes sir, assuming that both shipments are destined to the same point within the State.

Q. You may give your opinion, if you have any, as to the cost of handling intrastate freight in carload lots as compared with the cost of handling interstate freight in carload lots, whether it is more or less?

A. I think the cost of handling State freight in carload lots is more than the cost of handling interstate freight in carload lots?

Q. Why?

A. The freight is hauled a shorter distance on an average.

Q. What freight is?

A. State freight is hauled a shorter distance on the average than interstate freight. I say this is so: I am assuming that to be the case on the Wabash Railroad, what we found out to be the fact on the Missouri Pacific. The State freight has greater use of the terminals in the State than the interstate shipment has, though I think every interstate shipment has some use of the second terminal,
6091 as trains are made up and broken up to some extent at Hannibal, and as any freight delivered here at St. Louis has to be put into trains here, and the same way at Kansas City, I think all of the interstate freight passing through those gateways has some use of the terminals, which goes a long way towards offsetting the use that a purely State shipment has.

Another thing, I believe the cost of these large terminals, the average cost per ton, is higher than it would be at those small stations. And I believe that will apply with more effect to the interstate than to the State business. While the State business is hauled a shorter distance on the average, it does not use as much track, and the track is there and used for the longer distances by the interstate freight.

Then I do not see why the train cost of State freight should be any higher than the train cost of interstate freight.

Q. Why did you say that?

A. I think after freight is in the train it is handled just as cheaply if it is State as if it were interstate freight. That would not be so if the State freight was all handled on local trains and the interstate was all handled on through trains.

Q. What is the fact about that?

A. We know from the testimony that has been given that it is not all handled that way.

Q. You find both State and interstate freight in almost every train?

A. Yes sir, that is true.

Q. You say you think the expense of handling intrastate freight in carload lots is somewhat more than the expense of handling
6092 inter-state freight in carload lots?

A. Yes sir, I think it is more.

Q. Suppose the interstate freight is received by the Wabash Railroad at St. Louis, for instance, you think the Wabash Railroad Company's dealings with a carload of freight which it has received from another company at St. Louis, are more expensive at St. Louis than they would be with respect to a carload of freight that had its origin in St. Louis?

A. Not more expensive.

Q. Less expensive?

A. Yes sir, less expensive on the inter-state than on the State shipments, in that case.

Q. Mr. Miller testified, if I remember correctly, and if I do not my question will disclose its own weakness—that on carload freight received from roads coming to the Mississippi River, to St. Louis from the east, the Terminal Railroad Association would take that car to some neutral or common ground devoted to that purpose, which was about a mile from the place where it would go into the Wabash train, and the Wabash Company would send its locomotive this distance of one mile to where the car had been left by the Terminal Railroad Association, and run it up to where it wanted to put it into a train: You think that sort of dealing with carload freight is less expensive than it is for the Wabash Railroad Company to set an empty car on the team track, we will call it—I believe that is the proper expression—for a consignor to load his carload of freight into?

A. Yes sir.

6093 Q. Do you think there is very much difference in the expense?

A. I don't know how much. I think there is some more expense on the State freight. But I do not say there is a great deal of expense in connection with the interstate freight.

Q. In the case I have used as an illustration, the carload of freight coming from the east to the Mississippi River at St. Louis, it has to get across the river: Who pays the bridge-toll on that load of freight?

A. The lines west of the river pay all the bridge-tolls, as I understand it.

Q. If it was the Wabash Company, it would be the Wabash that pays that bridge-toll?

A. Yes sir.

Q. How much would that be?

A. I think on carload freight it averages from three to five dollars a car, I have a tariff but I am not familiar with the rates.

Q. *Have* you taken that into consideration when you gave your opinion that the cost of handling intrastate freight at St. Louis in carload lots, receiving and getting it into the train is greater than the cost of handling a carload of the same kind of interstate freight?

A. I did not connect that up with the cost at all. That comes out of the revenue.

Q. It is a cost, though, isn't it?

A. It is a cost to the lines in Missouri, but they pay it.

6094 It is no part of their expenses in the sense that they are doing any service with their own equipment. That bridge-toll is

deducted from the earnings, rather than charged to the expense. Therefore I think of that as being on the revenue side of the question.

Q. You understand that the bridge-tolls are deducted from the revenue instead of being charged to expenses: Is that it?

A. Yes sir.

Q. Isn't it just as broad as it is long?

A. In the end it is. I would not consider that in comparing the cost.

Q. There are no bridge-tolls, of course, incident to a shipment of a carload of stuff which originates at St. Louis destined to a point in Missouri?

A. That is true?

Q. And this carload of interstate freight which has been received by the Wabash Company reaches some points on its line, in Missouri, are the facilities afforded to it, and the treatment which it receives, the same as a carload of intra-state freight received?

A. Exactly the same, in my opinion.

Mr. MINNIS: That is not a matter of opinion but a matter of fact.

Mr. LADD: He has pretty good authority for it. Mr. Miller told him that.

Mr. LADD:

6095 Q. Let me see if I understand what the extra cost of handling intrastate carload freight in Missouri over and above interstate carload freight in Missouri consists of: Is it in the extra expense connected with its receipts and shipment at the initial terminal point in Missouri?

A. Not entirely.

Q. Where is the rest of it?

A. The shorter haul comes in there. There is more expense to be pro-rated over the number of ton miles made by the State freight.

Q. That is because, is it, that the haul of the intrastate freight is shorter than the haul of the interstate freight, on the average, in Missouri?

A. I believe it to be.

Q. Is there anything else to which you would ascribe whatever extra cost there is in the handling of intrastate carload freight?

A. Those are the principal items I have in mind.

Q. Mr. Taliaferro, where the character of the service is the same, do you think the cost is the same whether the business is State or interstate?

A. Where the service is exactly the same I cannot see any reason why the cost should be different.

Q. I wish you would take the Annual Report of the Directors of the Wabash Railroad Company for the fiscal year ending June 30, 1905, (I select that one because it has been referred to so often) and look at Pages 44 and 45, of that report, from which it appears that the operating expenses of the company are divided into four

6096 general divisions; "Maintenance of way and structures," "maintenance of equipment," "conducting transportation" and "general expenses." "Conducting tranportation" is

divided into two sub-divisions, one for the passenger service and one for the freight service.

Now I wish you would state to the Court, in which, either one or more, of these sub-divisions of operating expenses, the extra cost of handling and transporting the intrastate business which you have referred to is incurred.

A. I think there is some additional cost in maintenance of way and structures, because of the extra use of tracks and warehouses, some slight additional cost under that heading.

Q. Now let me see if I understand you: Does the wear and tear of way and structures in handling the same quantity of intra-state freight,—is it any greater than it is in handling interstate freight?

A. I did not mean that. I mean at the stations. One car gets the use of the track facilities at two stations, we will say; whereas, the other car gets a similar use of the facilities at one station and some use at the other. I think there is some little additional cost under that head.

Q. If I understand you, then, in case of intrastate freight, the freight gets some more use of the track facilities at the initial station?

A. Yes sir, if the interstate freight stops in the State that would be the comparison I am talking about.

Q. Is that additional use anything substantial?

A. No sir, I think it is very small. But you asked me to state where I thought the expense came in.

Q. Yes, that is right. Anything else?

6097 A. I don't think there is anything in maintenance of equipment.

Q. Do you not?

A. No sir, because I think the car that is hauling State freight today may stop at a station tonight, and tomorrow be loaded with inter-state freight. I do not think that is a thing that can be separated.

Q. Well, how about "conducting freight transportation" shown on Page 45?

A. The principal part of the additional cost, which it seems to me State freight causes, is in "conducting transportation." First in the station service, because of the additional use of terminals by the State freight. And then in the other items which amount to more per ton per mile when pro-rated over the ton miles made by the State freight hauled a shorter distance compared with the ton miles of interstate freight hauled a longer distance.

Q. Take the items under the head of "general expenses": Do you think the intrastate freight ought to be charged anything more than its natural proportion of the general expenses?

A. No sir, I think if anything they should be charged with less.

Q. Why?

A. Because the State freight largely take- care of itself. It is largely non-competitive business and is easily handled. The way-bills do not take up so much time. It does not take as much of the

attention of the traffic officers. For that reason I think those
6098 expenses are less per ton per mile on the State freight than on the competitive business which is generally interstate business.

Q. Look under the sub-division of "conducting freight transportation": There is an item charged there on account of "outside agencies," quite a large item amounting to $369,000 for the year ending June 30, 1905: What are "outside agencies"?

A. I understand "outside agencies" to be the commercial agencies maintained in the various large cities, probably including St. Louis and Kansas City, but also in New York, Chicago, and in the west. I do not know just where they are all located.

The report of the General Traffic Manager printed in the Annual Report for the year ending June 30, 1906, stated "New agencies have been established at the following points:

Atlanta, Georgia.
Dallas, Texas.
Hannibal, Missouri.
Indianapolis, Indiana.
Los Angeles, California.
Memphis, Tennessee.
Minneapolis, Minnesota.
Moberly, Missouri.
Peoria, Illinois.
San Francisco, California."

Q. How many of the agencies that he says have been established, are on the line of the Wabash Railroad?

6099 A. In Missouri, Hannibal and Moberly.

Q. Take them all.

A. Those are the only ones on the line of the Wabash Railroad in Missouri. I don't know that any of the others are on the line,—I think not.

Q. What is the purpose of outside agencies in such places as New York, Atlanta, San Francisco, and Los Angeles? Is it to solicit freight which is to move from one point in the State of Missouri to another point in the State of Missouri?

A. I think not.

Q. What is the purpose?

A. The agents in those cities have charge of certain territory and they look after the business to and from that territory which might in any way be made to pass over the Wabash Road.

Q. It is principally devoted, isn't it, to the cultivation of the interstate business and the stimulation of it, isn't it?

A. I think so, because that business is competitive business.

Q. No one would think of establishing an agency in Atlanta, Georgia, would they, to stimulate business between Moberly and Huntsville?

A. No sir.

At this point the usual hour for adjournment having arrived, the further hearing herein is adjourned until tomorrow Thursday, January 10, 1907, then to be resumed at the same place.

6100 ST. LOUIS, MO., THURSDAY, *Jan.* 10, 1907.

Met pursuant to adjournment as above, on Thursday Jan. 10, 1907, at 10 o'clock A. M. in the Federal B'ld'g in the city of St. Louis, Mo.

Present parties as before.

The following proceedings were had.

The direct examination of Mr. A. P. TALIAFERRO, continued as follows by Mr. Ladd:

Q. Mr. Taliaferro, have you prepared a statement showing the number of miles of line per hundred square miles of territory the number of miles of line per 10,000 inhabitants; and the population per mile of road in several states?

A. Yes sir.

Q. Where did you get that information?

A. The figures in the first and second column-, the number of miles of line per hundred square miles, and the number of miles of line per 10,000 inhabitants, are taken from the statistical report of the Interstate Commerce Commission for the year ending June 30, 1904. The figures in the third column were worked out by us.

Q. The calculations are made from those figures?

A. Yes, from those two columns.

Q. So as to show the population per mile?

A. Yes sir.

Mr. LADD: The statement referred to is offered in evidence and marked Defendant'- Exhibit 30.

The paper referred to is in the words and figures following, to wit:

6101 Q. What, in Missouri, is the population per mile of road?

A. 431.

Q. That is reached by dividing the population in the state by the number of miles in the state: Is that it?

A. It would be equivalent to that.

Q. That is the substance of it?

A. Yes sir.

Q. You worked out that from the second column, did you?

A. Yes sir.

Q. The number of miles of line per 10,000 inhabitants?

A. Yes sir.

Q. Which you took from the statistical report of the Interstate Commerce Commission?

A. Yes sir.

Q. And you worked out the last column from that, showing the number of people in the state, per each mile of road in the state?

A. Yes sir.

Q. Have you prepared a statement of the tonnage of carload freight on a ton mile basis, handled in Missouri by the Missouri Pacific Railroad on way-bills made October 1, 2, and 3, 1905?

A. Yes sir.

Q. Does that include all freight which touches Missouri?

A. All carload freight.
Q. No matter where the way-bills were made?
A. Yes sir.
Q. And you went according to the dates of the way-bills
6102 for those three days?
A. Yes sir.
Q. You arrived at these results from an examination of the way-bills themselves, did you?
A. Yes sir, the way-bill copies. I did not do it personally, but that was the way it was done.
Q. It was done under your supervision, by your assistant?
A. Yes sir.

Mr. LADD: I will offer in evidence this statement as defendant's Exhibit 31.

Mr. MINNIS: I object to the introduction of Exhibit 31 for the same reason I have assigned in objection to other Exhibits and testimony relating to figures compiled from the books, records or papers of the Missouri Pacific Railway Company.

The objection is overruled.

The paper Exhibit 31 is in the words and figures following, to wit:

6103 Mr. LADD:

Q. I see you divided this into "through interstate", "second-class interstate", and "State" business: What do you mean by "through interstate" as distinguished from "second-class interstate"?
A. By "through interstate" we mean freight which had neither point of origin nor point of destination in Missouri.
Q. It went through the State?
A. Yes, went through, or across some part of the State.
Q. What do you mean by "second-class" interstate?
A. "Second-class" interstate business is that which has its origin in the State or its destination in the State of Missouri.
Q. And state freight is purely intrastate freight, having both origin and destination in the State, is it?
A. Yes sir, I may add that we would treat business originating in Missouri and passing out of the State in order to get back into Missouri, as second-class interstate.
Q. That is reduced to tons one mile, I see?
A. Yes sir.
Q. What was the percentage of the through interstate to the total freight of all kinds, in ton miles?
A. 37.021.
Q. What was the percentage of second-class interstate?
A. 48.056.
Q. What was the percentage of intrastate freight?
A. 14.923.
Q. In the first column you have given the number of tons one mile on each class of freight?
6104 A. Yes sir.
Q. In the preparation of all these exhibits which have

been offered here by the Defendant, which deal with business for certain days or certain months or certain periods, have those days or months or periods been selected with a view to extracting from them a distinctly favorable result, which would not appear from any other days or months or periods?

A. On the contrary, sir, I should say that our one idea has been to select periods that would make a fair showing, so far as we were able to judge the matter. We have never imagined that anything else would stand any kind of a test.

Mr. MINNIS: I object to what they imagined.

A. I only meant that that was our idea in this work, and had been from the beginning.

Q. I believe you already stated what territory constitutes Group 6, as known in railroad parlance, and as the group has been established by the Interstate Commerce Commission. But you may state it at this point, if you can without difficulty.

A. Group 6 embraces Illinois, Wisconsin, Minnesota, Iowa, parts of North and South Dakota, and that portion of Missouri lying north of the Missouri River.

Q. What was the average per mile expenses by the railroad in that group, for maintenance of way and structure——

Mr. MINNIS: That has all been gone over.

Mr. LADD: Oh, no.

Mr. MINNIS: Oh, yes. I think I could give, on slight reflection, just what he testified to.

6105 The MASTER: Wait a moment and we will see. Let Mr. Ladd finish his question.

Mr. LADD:

Q. What was the average per mile expended by the railroads in that group, for maintenance of way and structures, during the year ending June 30, 1904?

A. $1,011 per mile, according to the reports of the Interstate Commerce Commission.

Q. If the expenditures for way and structures for the calendar year 1904 had been distributed to Missouri on a mileage basis, how much less would it have been in dollars than the statement rendered here by the Wabash Company, as shown in Exhibit 4?

A. $240.

Q. You mean it would have been $240 per mile?

A. Yes sir.

Q. I mean the total amount: How much less would it have been?

A. The average amount per mile would have been $1,491, if the maintenance of way and structures expenses for the system had been divided on a road mileage basis, giving Missouri its share on a basis of 654 miles.

Q. It would have been how much less than the figure shown in Exhibit 4?

A. It would have been $240 less than the figure worked out from the Company's statement Exhibit 4.

Q. I know, but how much less would the total amount have been?
A. The total amount would have been $157,234.63 less than the figures shown in the Company's statement Exhibit 4.

6106 Q. What was the expenditure for the fiscal year ending June 30, 1904, per mile for maintenance of equipment, by the railroads in the Interstate Commerce Commission Group No. 6?
A. $903 per mile, according to the report of the Interstate Commerce Commission.

Q. I wish you would look at some memoranda you have there, compare the intrastate and interstate earnings of the Wabash Railroad Company in Missouri, on live stock: State some illustrations which will illustrate the difference in the rates.

A. When this information was gotten, several months ago, the published rate on cattle in carloads from Kansas City proper to St. Louis proper or to East St. Louis proper, was 14¾ cents per hundred pounds: On a shipment billed to East St. Louis an allowance of $4 per car was made to cover the Mississippi River bridge-toll. The established minimum weight for a 36 foot car was 22,000 pounds, the freight on which at the above rate would amount to $32.45. Deducting from this figure the bridge-toll of $4 would leave $28.45 as freight to the company. From that figure we understood that switching charges in Kansas City and cleaning charges, amounting to I think on the average about $3.50 were allowed.

The rate per car fixed by the Law of 1905, for the same kind of a car, is $29.70 from Kansas City to St. Louis.

Q. They actually received $28.45 net on a shipment of that kind disregarding those charges at Kansas City for cleaning, etc., which you have mentioned, while the rate fixed by the Law of 1905, for the same shipment is $29.70, $1.25 more: Is that right?

6107 A. Yes sir.

Mr. MINNIS: Speaking now of intrastate shipments you deduct the bridge-toll from that, too, don't you?

A. No sir.

Q. Did I understand you to say that the difference for an intrastate shipment of cattle from Kansas City to St. Louis would be only $1.25—you say the rate was how much from Kansas City to St. Louis proper?

A. 14¾ cents per hundred.

Q. How much for a car under the present rates?

A. For a 36 foot car $32.45.

Q. What is the rate from Kansas City to St. Louis proper under the Act of 1905?

A. $29.70.

Q. How much more are the present rates for the precisely same intrastate shipment than the rates allowed by the Act of 1905?

Mr. LADD: What do you mean by present rates?

Mr. MINNIS:

Q. Those in effect now. As I understand the witness he says the present rates would allow the company $32.45 for a carload of cattle shipped from Kansas City proper to St. Louis proper?

A. Yes sir.

Q. And the rates of 1905 would allow them for precisely the same shipment $29.70.

A. Yes sir. This was not intended to try to show that the rates had not been reduced on State business. It was merely comparing the new rates with what would be received out of a ship-
6108 ment to East St. Louis.

Q. That is an interstate shipment?

A. That is true.

Q. And we are talking about State shipments. You do not understand that the Act of 1905 controls interstate commerce?

A. No sir.

Q. And yet you arrived at your figure *at* applying the rate to interstate commerce?

A. Yes sir. That is because the car would be handled over the same road and the same number of miles in Missouri.

Mr. LADD: The rate which the company charges to St. Louis and East St. Louis is the same?

A. Yes sir.

The MASTER: If I understand the object of this comparison, it is to show that the amount heretofore received by the railroad company for transporting a carload, such as he described, of freight from Kansas City to East St. Louis, is less than the amount authorized by the Act of 1905 for transporting the same character of car from Kansas City to St. Louis proper?

Mr. LADD: That is it exactly.

A. With this additional explanation, if I may make it, sir: That on the car handled to St. Louis, destined to East St. Louis, the service is performed by another company than the Wabash.

Mr. MINNIS:

Q. In either event, you are comparing an interstate shipment with an intrastate shipment.

6109 A. Yes.

Mr. LADD:

Q. Would the State shipment have any bridge-toll?

A. No sir.

Mr. LADD:

Q. Proceed with other illustrations if you have any.

A. The published rate on cattle in carloads from Kansas City proper to Chicago was 23½ per 100 pounds. On a 36 foot car, minimum weight 22,000 pounds, the freight would be $51.70. Deducting $5 bridge-toll at Hannibal, would leave earnings of $46.70.

Under the company's arbitrary basis of division, Missouri's proportion would be 50 per cent, or $23.35. The rate prescribed by the Law of 1905, from Kansas City to Hannibal is $23.10 for a 36 foot car.

Q. That is 25 cents less?

A. Yes sir, 25 cents less.

Q. Proceed.

A. On a car moving to St. Louis or East St. Louis, with the privilege of the Chicago market, the freight earnings to Chicago would be the same $51.70.

Q. As by Hannibal?

A. Yes sir, as by Hannibal. From which would be deducted the St. Louis bridge-toll of $4, leaving $47.70 as the net freight earnings exclusive of any allowance which might be made at Kansas City.

Q. Those allowances, if any, would still further reduce it?

6110 A. Yes sir.

Mr. MINNIS:

Q. They would reduce any shipment?

Mr. LADD: We are talking about this particular shipment.

A. Missouri's proportion under this arbitrary division of 50 per cent, would be $23.85. The rate prescribed by the Law of 1905 on the same car from Kansas City to St. Louis is $29.70.

Q. Nearly $6 more: Is that right?

A. Yes sir.

Q. Proceed.

A. On cattle received from connecting lines at Kansas City, the company's published rate to St. Louis or East St. Louis was 13½ cents, per hundred pounds, yielding a revenue of $29.70 for a 36 foot car. On a shipment destined to East St. Louis the bridge-toll of $4 would be allowed, leaving $25.70 per car.

Q. The Law, then, allows $4 more?

A. Yes sir.

Q. Go on.

A. On cattle received from connecting lines at Kansas City the company's published rate from Kansas City to Chicago by either St. Louis or Hannibal, was 20 cents per hundred pounds, yielding $44 for a 36 foot car. On a shipment via Hannibal the bridge-toll of $5 would be allowed, leaving net earnings of $39, of which 50 per cent, or $19.50 would be apportioned to Missouri.

The rate prescribed by the new Law of 1905, from St. Louis to Hannibal, is $23.10 for the same car.

6111 Q. What is the difference there, $3.60 more. The new Law allows $3.60 more than they would get?

A. Yes sir, than Missouri would get from a shipment to Chicago.

Q. Go on.

A. On a shipment via St. Louis the bridge-toll of $4 would be allowed, leaving net earnings of $40, of which 50 per cent or $20 would be apportioned to Missouri. The new Law prescribed a rate from Kansas City to St. Louis of $29.70.

Q. A difference of $9.70 in favor of the new Law, is it?

A. Yes sir, in the amount of earnings which would be credited to Missouri, not taking into consideration any charges at Kansas City.

Mr. LADD: This is all I can think of to ask Mr. Taliaferro just at present.

Mr. MINNIS: I will not be ready to cross-examine Mr. Taliaferro until I have had an opportunity to look into these matters which he brought forward and of which I never heard before.

The MASTER: I think you are entitled to that. What length of time will you wish? (Here follows discussion.)

NOTE.—The cross-examination of this witness, at the request of counsel for the Defendant, is deferred until the conclusion of the cross-examination of the same witness in the case of the Missouri Pacific Railroad Company.

6112 CHARLES S. LUDLAM, a witness of lawful age, being duly produced, sworn and examined on the part of the Defendant, testified as follows:

Direct examination:

Mr. S. B. LADD:

Q. Please state your name.
A. Charles S. Ludlam.
Q. Where do you reside?
A. New York City.
Q. What is your present occupation?
A. Certified Public Accountant.
Q. With what firm are you connected or a member of?
A. Haskins & Sells.
Q. Where are the headquarters of Haskins & Sells?
A. New York City.
Q. Do they have offices in other places?
A. Yes, sir.
Q. Where?
A. We have branch offices in London, England; Pittsburg, Cleveland, Chicago and St. Louis.
Q. How long have you been connected with the firm?
A. About twelve years.
Q. Do you occupy an important or an unimportant position in that firm?
A. I am one of the partners.
Q. What has been the business of that firm; what kind of work have they been doing?

6113 A. All public accounting work, the examination of banks, trust companies, manufacturing companies, railroads, commercial companies, steam-ship lines, etc., and devising systems of cost accounts for manufacturing companies; systems of accounts of all kinds, for all businesses including railroads.

Q. Are they the regularly retained auditors of accounts of any railroad companies?
A. Yes, sir quite a number.
Q. How often do those audits take place?

A. As a general proposition once a year, at the close of the company's business, at the end of the fiscal year, June 30th. But in some cases we audit quarterly and in others semi-annually.

Q. I wish you would mention some of the railroads for which that firm are regular auditing accountants.

A. I would like to preface that by saying that as a general proposition our relations with our clients are confidential; but in the case of the railroad companies, most of them, or at least those I will mention, publish our certificate that we have examined the accounts of the companies, so that is a matter of public knowledge.

Q. You may confine yourself to those. I do not want any confidences exposed.

A. The Philadelphia and Reading Railroad; the Erie Railroad; the Atlantic Coast Line; the Central of Georgia; the Louisville & Nashville; the Buffalo, Rochester and Pittsburg; the Atlantic and West Point; the Cincinnati, New Orleans and Texas Pacific.

Q. Is there another name for that road? Is that the Queen
6114 and Crescent?

A. That is part of what used to be the Queen and Crescent.

Q. Go on.

A. The Western Railway of Alabama.

Q. That is enough. Have you, personally, had charge of the audits, and conducted the audits of any of those railroads, during your connection with that firm?

A. Yes, sir, frequently; I presume I have personally audited the accounts of most of the companies I have mentioned, at different times.

Q. I will ask you if you consider yourself as familiar with the method adopted by the railroad companies generally, of keeping their accounts.

A. Yes sir. I think so.

Q. What if any work have you done for public corporations, cities or States?

A. We have done work for the government.

Q. What work have you done for the government—you mean the government of the United States?

A. Yes, sir.

Q. What work have you done for the United States?

A. We were retained by the government, at the time of the occupation of Cuba by the United States the first time, to make an examination of the finances of the City of Havana, Cuba.

Q. Personally did you have anything to do with that?

A. Yes, sir, I was in charge of that work.

Q. How long were you in Cuba?

6115 A. At that time I think about three months. We were subsequently employed by the government to make an examination of the military department of the entire island of Cuba. That engagement took something like three or four months.

Q. Did you have charge of that?

A. Yes, sir.

Q. What other work, if any, have you done for the government?

A. Mr. Haskins and Mr. Sells were personally retained by the government to reorganize the accounting department of the United States treasury.

Q. Did you, yourself, have anything to do with that?

A. No, sir.

Q. How long a job was that?

A. It took them two years.

Q. Was the system which they devised adopted by the treasury department?

A. Yes, sir.

Q. And is applied there now?

A. Yes, sir, so far as I know.

Q. Any other public work?

A. We were employed by the City of Chicago to re-write, investigate, and adjust the special assessment accounts of the City of Chicago, from the time of the Chicago fire, which was in 1871, to April 30, 1901, covering a period of about thirty years. That work took us between two and three years. We had from thirty to forty or more men engaged on the work. I had personal charge of that work.

6116 Q. What else, if anything, did you do for the City of Chicago, besides making that examination?

A. We were subsequently retained by the City of Chicago to reorganize and install a complete system of accounting for the entire city. That took us about two years, and, as I recall it, I also had charge of that work.

Q. Was that adopted by the City authorities?

A. Yes, sir. It has been in operation, and I might say successful operation, since then.

Q. What work, if any, have you done in examining accounts of any of the large insurance companies, within the last two or three years, since the agitation regarding the management of the large life insurance companies began: Have you had anything to do with the examination of those accounts?

A. Yes, sir.

Q. Which ones?

A. That is also a matter of public knowledge. We were retained by the Equitable Life Insurance Company, by the New York Life Insurance Company and by the Mutual Life Insurance Company, to make a complete examination of the accounts of the different companies.

Q. Were you in that work or any part of it? Were you jointly engaged with some other firm of accountants?

A. Yes, sir.

Q. Who were they?

A. In the case of the Equitable and the New York Life, we were employed jointly with Messrs. Price, Waterhouse & Com-

6117 pany. In the case of the Mutual Life Insurance Company we were employed jointly with Messrs. Deloitte, Plender, Griffiths & Co.

Q. Are those firms located in New York?

A. Deloitte, Plender, Griffiths & Co. had head-quarters in London but they also had offices in New York.

Q. In the matter of the examination of the Equitable Company were you employed by the old management or by Mr. Paul Morton, after he took charge?

A. We were employed by Mr. Morton almost immediately after he took charge.

A. In addition to that, I think you said you were employed by numerous banks and trust companies, to make similar examinations?

A. Yes, sir.

Q. Have you ever done any work for the State of Missouri?

A. Yes, sir.

Q. What was that?

A. We were retained by Governor Dockery to make an examination of some of the financial accounts of the State of Missouri.

Q. I will ask you to state whether you, yourself, have had any employment with any railroad company: State what your experience, in that respect, if you have had any such experience has been.

A. Yes, sir, I have had such experience. Prior to becoming associated with Haskins & Sells, I was connected at one time with the Pullman Company at Chicago. Subsequently with the Atlan-
6118 tic and Pacific Railway Company, now a part of the Atchison, Topeka & Santa Fe Railroad Company.

Q. In what capacity with that latter company?

A. In the Accounting Department, and practically all departments of the Auditor's office.

Q. The Atlantic and Pacific runs west from Albuquerque?

A. At that time it ran from Albuquerque to Mohave, one hundred and fifteen miles.

Q. And it is now a part of the Atchison, Topeka and Santa Fe?

A. Yes, sir. At that time it was owned by the Santa Fe R. R. but it was a capital stock ownership, and it was operated as a separate company.

Q. How long an experience did you have on that road?

A. About four years.

Q. When was that?

A. From about 1883 to 1887. Then I was subsequently connected with the Colorado Midland Railway Company, being Assistant General Bookkeeper in the Auditor's office, afterwards in charge of the Statistical Department, where all the statistics relating to the operation of the road, cost, etc., were compiled.

Q. How long did your connection with that Company in those capacities continue?

A. Then I went into the Treasurer's office. I was with the Colorado Midland, all told, I should say about two and a half or three years. I resigned that position to accept a position with Mr. Haggerman, who was a capitalist of Colorado Springs, Colorado. I was the Accounting Officer and auditor, of all the different
6119 companies that he was interested in, at that time some seventeen in number.

Q. Those were not railroad companies?

A. Those included construction companies, railroad companies, mining companies, land companies, and irrigation companies.

Q. You mean James J. Haggerman?

A. Yes, sir.

Q. Proceed?

A. Subsequently I went to New Mexico, as auditor of a small road, the Pecos Valley Road, which was owned by Mr. Haggerman. In addition to my duties as auditor of the road I was also Mr. Haggerman's personal representative. He had very extensive interests in that country.

Q. How long a road was that?

A. When I went there it was ninety miles. Subsequently he built an addition of 85 miles, making it 175 miles in length.

Q. How long were you accounting officer of that road?

A. I was there about three years. I resigned that position to go to New York to become associated with Mr. Haskins and Mr. Sells, they having just established their business in New York.

Q. And since that time you have had no permanent connection with any railroad companies?

A. No, sir, only in my professional capacity.

Q. Haskins and Sells were employed by the State of Missouri to examine the accounts of the railroads, in connection with this
6120 litigation, were they?

A. Of the Missouri Pacific and the Wabash Railroad, yes, sir.

Q. Mr. Taliaferro, as I understand, was sent here in June of this year to take immediate charge of that work?

A. Yes, sir.

Q. What connection have you had with it, have you been here often and overlooked the work and consulted with Mr. Taliaferro, and so on, as to how it was going on?

A. Yes, sir. I have given personal attention to the supervision of the work; been here frequently and have attended a number of the hearings both in the Wabash case and in the Burlington case.

Q. You have consulted with and advised Mr. Taliaferro in regard to the methods to be pursued?

A. Oh, yes, and assisted in the preparation of the statements which have been submitted; I laid out the form myself for a good many of them.

A. These statement- you think are correct? That is, the statements not so far as they are conclusions, but as a matter of mathematical or arithmetical calculation you think they are correct?

A. I believe them to be correct.

A. You have examined them carefully, have you?

A. Yes, sir.

Q. Have you attended all the hearings in the Burlington case and the Wabash case, so far as there have been hearings, before the Master, before this time?

6121 A. Most of them but not all of them. There was one hearing held in Chicago at which I was not present, which lasted about a week. But I read the testimony taken at that hearing.

Q. With that exception you have been in constant attendance at all the hearings?

A. Yes, sir, with this exception I was at all the hearings in connection with the Burlington. I was not present at the first hearing held here in St. Louis in the Wabash case.

Q. I will ask you whether in your opinion as an accountant, based upon the experience you have had in keeping and examining railroad accounts, whether it is practicable for a statement to be prepared from the way bills of a railroad company, which will classify its freight, both earnings and tonnage, between what might be designated as through interstate, second class interstate and State freight?

A. Yes, sir, in my opinion such a statement could be prepared from the way bills of a railroad company.

Q. Could figures be made up from the way bills and records of a railroad company, which will show the tons, ton miles, earnings, earnings per ton and per ton per mile, of the different classes of freight, divided between carload and less than carloads?

A. Yes, sir, such a statement could be easily prepared. By that I mean that there would be no technical features involved. It would be merely a matter of clerical labor.

Q. I will ask you to state, Mr. Ludlam, what in your opinion is the correct unit of cost, and revenue, in the railroad freight
6122 business?

A. I think the per ton mile basis is the only correct basis. I might explain that by saying, it is the only one that has been devised or is known to railroad men, that is regarded as reliable.

Q. I will ask you if that is the one which is generally adopted by railroad companies, as far as your knowledge extends?

A. Yes, sir.

Q. Do the annual reports of railroad companies, which deal with the details of the management, and review its operations from year to year, usually show the ton miles and the cost and revenue per ton mile?

A. The published reports of the different companies usually do. And all companies, whether they publish those figures or not, so far as my knowledge goes, have them in their records.

The MASTER:

Q. If I understand you, the correct unit of calculation or estimates for accounting in respect of revenue and expenses in conducting railroads, is the ton mile?

Mr. LADD: Yes, so far as freight is concerned.

Mr. LADD:

Q. Did you hear Mr. Miller's testimony at the previous hearing in this case?

A. Yes, sir.

Q. You agree with Mr. Miller on that point, do you?

A. Yes, sir.

Q. Is there any other method so correct or convincing, of ascer-

taining the expenses of the earnings of a company, on differ-
6123 ent classes of freight, as by using the unit of the ton mile, both for cost and earnings?

A. In my judgment there is not.

Q. Referring to Exhibit 19, showing the operations of the Missouri Pacific Railroad Company in the freight department of its business, for the month of October, 1905, I will ask you if in your opinion that is a correct exhibit in all the particulars with which it purports to deal, of the operations of that company in its State business for that period?

Mr. MINNIS: I make the same objection in regard to the Missouri Pacific figures that I did in the case of the other witness, without repeating them.

The MASTER: In respect of matters relating to the investigation had by Mr. Ludlam or his associates, of the Missouri Pacific Railroad Company's business, it may be taken that objection is made and over-ruled, without the necessity of entering the objection and overruling it in each case.

Mr. LADD:

Q. I will ask you if you, personally, Mr. Ludlam, have verified the correctness of that exhibit, so far as the figures shown there are a matter of calculation?

A. No, sir, not all of them. I have kept in touch with it. The work has been largely done by Mr. Taliaferro and the men who have been assisting him. I have no question as to the accuracy of
6124 the work, but I have not actually verified all the mathematical calculations.

Q. Have you gone over some of them?

A. Yes, sir, very carefully, and I believe them to be correct.

Q. You did not find any mathematical mistakes?

A. No, sir, and I have actually verified some in detail, myself, but not all of them.

Q. That statement shows the average revenue per ton mile of interstate carload business to have been six and two-thirds mills, practically, per ton per mile?

A. Yes, sir, a fraction over six and two-thirds mills per ton per mile.

Q. Suppose you had divided the interstate carload business between what has been called "through interstate" that business which neither originates nor ends in Missouri; and second class interstate, which either originates or terminates in Missouri; what in your judgment would have been the revenue per ton per mile on the through interstate carload freight as compared with the revenue derived from all interstate carload business, as here shown?

Mr. MINNIS: Objected to because that is not a matter of judgment but a matter of calculation.

The MASTER: Is that susceptible of separation and calculation?

A. Yes, sir, it could be done.

Mr. LADD:

Q. With the Master's permission I will ask you why was it not done in this statement?

A. Because the question of there being a difference in the
6125 interstate freight, as classified between through interstate freight, that which originates outside of the State and terminates outside of the State, and the second class interstate freight, that which either originates or terminates outside of the State, had not been raised when we started to prepare this statement. If that question had been raised, and we had started to separate it on that basis, it could very easily have been done.

Q. You say it had not been raised: Where was the question raised? Was it some time during the Burlington case that some one made that division of interstate freight between what was called through interstate and second class interstate freight?

A. Yes, sir.

Q. You had commenced this work some time before any suggestion had been made of that kind?

A. Yes, sir, and we were about half way through with the work.

Q. You mean by that, you had completed the work for half the stations: Is that what you mean?

A. About that, yes, sir.

Q. And you could not go back and begin over again?

A. It would have taken so much longer, and we did not want to delay the completion of the statement.

Q. I will ask you, then, under that situation, if you have any opinion or judgment upon the matter?

Mr. MINNIS: I renew my objection.

The MASTER: Is that a matter of opinion at all?

6126 Why is he better qualified to have an opinion than any other accountant? Would not a practical railroad operator or freight agent or traffic manager or someone of that sort be in very much better position to know that?

Mr. LADD: But he has been over every one of those accounts and he knows what each one is.

Mr. MINNIS: There is no evidence that he has gone over the accounts. He simply had the statement.

Mr. LADD: I will withdraw the question.

Q. Referring to that statement, Mr. Ludlam, what was the average amount received by the Missouri Pacific Company for each ton of interstate less than carload freight handled?

A. Four dollars, sixteen and a fraction cents.

Q. And how far on the average was each ton of interstate less than carload freight hauled?

A. 148 miles.

Q. What was the amount received, on the average, for each ton of State less than carload freight handled?

A. $5.11 and fraction cents per ton.

Q. What was the average length of haul on the State less than carload freight?

A. 114 miles.

Q. Well, then, taking all of the less than carload freight into consideration, the company received one dollar more per ton, on the average, for hauling a ton of State freight 114 miles than
6127 for hauling a ton of interstate freight 148 miles: Is that the result?

A. About one dollar a ton for hauling a ton of less than carload State freight 114 miles as compared with a haul of 148 miles on interstate less than carload freight.

Q. Mr. Ludlam, in your opinion, then, does it cost twice as much per ton per mile to do the intrastate business as the interstate business.

Mr. MINNIS: Objected to for the reason that the witness has not shown himself to be qualified to express an opinion in respect to the handling of the business. He is not shown to have had any experience in the actual cost of handling freight and the operation of railroads.

Mr. LADD: I think the man who has kept the items of cost and revenue of the railroad company is very competent to give an opinion.

The MASTER: We will hear the opinion. The objection is overruled.

Q. Will you give your reasons for your judgment?

A. Where the character of the service is the same on State freight as on interstate freight, I do not think there is any difference in the expense. Both classes of freight are moved in the same train, over the same track, by the same engine, and by the same train crew: Inasmuch as the State carload freight moves on an average a shorter distance than the interstate carload freight, I think the cost per ton per mile is somewhat increased on the State business, by bringing the terminals nearer together.

6128 In the case of the less than carload business I think the cost of interstate is greater than the cost of the State, because the interstate less than carload business moves further on the average than the State less than carload business. And speaking generally the less than carload interstate business is unloaded and reloaded at the different divisional points, so that in the case of less than carload business, in my judgment, the longer the haul the greater the cost per ton per mile. Whereas, in carload business the longer the haul the cheaper the ton per mile, because you have a greater distance over which to spread the terminal expenses.

The MASTER: You lay that proposition down as a rule, Mr. Ludlam, that the longer the haul the greater the cost per ton mile? Is that applied to all sorts of freight, in quantities less than carload?

A. Yes, sir, as a general proposition. In my judgment the less than carload freight is rehandled at the terminals; consequently the further you haul it the more frequently you have to rehandle it.

Mr. LADD:

Q. Have you given all the reasons you care to suggest now?

A. I have explained that in my judgment the moving of the

terminals nearer together would increase the cost per ton per mile on the State carload business—so far, I meant it to apply, as that portion of the expense was included in the total expenses.

6129 On the other hand, I think there are certain expenses which would apply more to the interstate carload business than to the State carload business.

Q. What are they?

A. I think, speaking generally, that all of the General Expenses would apply very much more per ton per mile to the interstate business than they would to the State business. The company spends more money trying to get through business, competitive business, than it does local business, for the reason that the "local" business or State business is composed in a certain part of business that is entirely non-competitive, and that comes to the railroad anyway, and has to come to it. They don't have to go after it or spend money to get it. The expense of outside agencies applies, in my judgment, almost entirely to interstate business.

The expense of the traffic department would apply very largely, much more largely, in my judgment, to interstate business than to State business.

The expenses in the accounting department would in my judgment be much larger per ton per mile, if applied to interstate and State business, in the case of the interstate than the State business.

Q. In what department or division of the expenditures is such additional expense as there may be in the case of intrastate freight over interstate freight, found?

A. I should limit it almost entirely to the "Conducting transportation" part of the operating expenses. There might be a

6130 very small fractional part of the maintenance of way and structures expenses, that would apply to the State freight in excess of the interstate, on account of the fact that the State freight uses the tracks of the terminals more per ton per mile, on account of the haul not being so long between terminals as in the case of interstate freight.

Q. That is the reason you would assign whatever extra expense there might be in the "maintenance of way and structures" to the intrastate freight, is it?

A. Yes, sir. And reducing it to a per ton per mile basis, that increase in my judgment would be so small that it would be very hard to express it in figures.

Q. It has been shown here by a statement which has been exhibited I believe in relation to five stations on the Wabash Company for September, 1906, that the volume in weight of interstate freight received and shipped from those stations is in excess of the volume of intrastate freight: Now, if that were true, as a rule, on the whole system in Missouri, would you think it was fair to charge to the intrastate freight the expense of keeping up sidings at stations or tracks of various kinds, when the same are used for the accommodation of the interstate freight?

A. No, sir, only to the extent, as I have just explained, that the

State freight through a shorter haul might have some increased use of the terminal tracks.

Q. When you speak of "terminal tracks," you mean the tracks at any station?

A. Yes, sir.

Q. You do not confine the expression "terminals" to a
6131 place like St. Louis or Kansas *p*City.

A. I am using the word "terminal" in that sense as the point of origin or destination of the freight.

Q. Do you regard, under such a situation as that, the increased cost arising from such enhanced use of these terminal facilities as the interstate freight may enjoy, to be any substantial amount?

A. No, sir.

Q. Well, could you estimate—I do not suppose you could tell it exactly,—what proportion of the entire increased expense of handling intrastate freight is incident to that division of the expense contained under the heading "conducting transportation"?

A. Nearly all of it. It is hard to express it in percentage for the reason that while I think there might be a little increase applicable to the State freight, in the case of "Maintenance of Way and Structures," I think there would be a decided decrease in the case of "general expenses." I think there would be quite a little increase in the case of "conducting transportation."

Q. I wish you would look at page 45 of the annual report of the Wabash Company for the year ending June 30, 1905, at the table under the head of "conducting transportation," which has been so often referred to, and look at the last column of items and state in respect of which of those items the expense is greater for the same tonnage in handling intrastate freight than in handling interstate freight?

A. I think the principal portion of the increase would
6132 be in the accounts "station service" and "station supplies."

Q. Are there any items of expenditure in that list in respect of which in your opinion there is no additional expenses connected with the handling of the intrastate traffic?

A. Yes, sir.

Q. State what they are?

A. I do not think there would be any extra expense in the item of "Superintendence." I think that could be very properly distributed on a per ton mile basis.

I do not think there would be any increase in the item "Telegraph expense." I think that might very properly be distributed on a per ton mile basis. The same is true of "Car Mileage."

Q. Explain at that point what "car mileage" is; it says "Balance." Is that the amount which the company has had to pay to other companies for the use of their cars in excess of the amount it has received from other companies for the use of their cars?

A. Yes, sir.

Q. Proceed?

A. "Hire of equipment," "loss and damage," "injuries to persons," "clearing wrecks," "operating marine equipment."

Q. Is there any marine equipment in Missouri?
A. No, sir, but there is a charge of $58,000 to the expenses.
Q. In the case of the Wabash, what does that marine equipment refer to, do you suppose?
6133 A. So far as this State is concerned, it refer- to interstate business.
Q. Where is the marine equipment on the Wabash?
A. I imagine it is attached to the Peru Division at Toledo.
Q. On the lake?
A. I should judge so although I have no personal knowledge.
Q. Proceed?
A. "Outside agencies," I have already explained, I think, that that applies very much more largely to interstate than to State business.

Mr. MINNIS: I object to that. Mr. Miller has testified to what outside agencies meant in that report, and he is one of the men who made it. I don't think it is proper to ask him by saying that.

The MASTER: You misconceive, I believe. Mr. Minnis, the witness was asked to point out on page 45 of this report the items in which in his judgment there was no increased expense in the case of State over interstate freight. These items "Marine Equipment" and "Outside Agencies" are found in that table.

Mr. MINNIS: I am objecting to his saying what that term meant.

The MASTER: Let the witness proceed.

A. "Commissions", I think would apply more to——

The MASTER:

Q. You are pointing out now these items in which there is
6134 no increase at all, not greater. Do not refer to any where there is any increase.

A. I did not mean to say there was an increase in the State business. I meant to say there was a decrease in the State business.

Mr. LADD:

Q. In what case?
A. In the case of "Commissions." "Rents of tracks, yards and terminals": "Rent of buildings and other property."
Q. What in your judgment is the increased expense, if any, in handling intrastate freight over an- above the interstate freight, what per cent?
A. You mean including all interstate carload and less than carload business?
Q. The whole business?
A. And all State carload and less than carload?
Q. Intrastate and interstate freight of all kinds?
A. I should estimate the increased cost of the State business over the interstate business at not over 25 per cent, including all of the freight and all of the expenses.
Q. That is, 25 per cent of the total expenses under all heads?
A. Yes, sir.

The MASTER: I do not know that I quite understand that.

A. I was going to explain that.

Q. You mean by that, that upon your ton mile unit, the entire State freight considered by itself, would cost 25 per cent more per ton mile than the interstate freight?

A. Yes, sir.

6135 Mr. LADD:

Q. That general average of 25 per cent applies to the entire operating expense and all its sub-divisions?

A. Yes, sir. That is, considering the total operating expenses per ton per mile.

Q. So that it follows from that, I presume, if you consider the very large part of the extra expense to be included in the items listed under the head of "conducting transportation," in the conducting transportation it would be more than 25 per cent?

A. Yes, sir, in as much as the "conducting transportation" items represent more than 50 per cent of the expenses. If "conducting transportation" were just 50 per cent, then it would allow for an increase in the "conducting transportation" items of 50 per cent.

The usual hour having arrived, recess was here taken until two o'clock.

After recess on Thursday, January 10, the following proceedings were had:

The direct examination of Mr. C. S. LUDLAM, continued as follows, by Mr. Ladd.

Q. I believe before recess you gave it as your opinion on an estimate that it would cost 25 per cent more to handle the State business than the interstate business, or all kinds?

A. On the average, considering all the State business and all the interstate business, yes, sir.

Q. Do you think it costs more to do less than carload than carload business?

6136 A. Yes, sir.

Q. Why is that? Please give your reasons for it.

A. Because the less than carload business is handled in small lots. It is frequently, as a general rule almost, rehandled at the division points. There is a great deal more clerical work involved in the shipment of less than carload business than in the carload business, for the reason that a way bill is required for each small shipment and whereas there might be more than one hundred way bills for a carload of less than carload goods, there would be only one way bill required for a car of carload business.

Q. The volume of less than carload business is very much less than in carload business, on both State and interstate business?

A. Yes, sir, very much.

The MASTER:

Q. Are you now referring to this case or the examination made?

A. I am referring to railroads generally. I might say that in the case of the Wabash Railroad the examination we made of the shipments forwarded from certain stations indicated that the ratio of less than carload shipments to the total shipments amounted to almost the same figure- as in the case of the Missouri Pacific business. And in the case of the Missouri Pacific we found that the less than carload business amounted to only 4.36 per cent of the total tons, or 6.45 per cent of the total ton miles. Our examination of the Wabash would indicate that the Wabash figures would not very materially differ from those figures.

6137 Q. When you gave that percentage, four and a fraction per cent for less than carload, is that the total less than carload or the State less than carload?

A. That is the total less than carload business.

Q. As compared with total carload business?

A. As compared with the total of all business, carload and less than carload. All business is 100 per cent. Of that 100 per cent the less than carload is 4.36 per cent. That is in volume of tons. In ton miles, the less than carload business is 6.45 per cent.

The MASTER:

Q. That figure you take from one of your exhibits on the examination of the Missouri Pacific Railroad?

A. Yes, sir.

Q. From which you say there is no substantial variance in the case of the Wabash Company?

A. I say that the examination we have made of certain Wabash stations would indicate that the ratio on the Wabash would be about the same as it was on the Missouri Pacific for the month of October, 1905, as shown by Exhibit 19.

Q. The less than carload business is the most expensive business that the company handles, is it?

A. In my judgment it is the most expensive business that the company handles.

Q. That is, it costs more to handle the same volume of less than carload business than any other kind of business?

A. Yes, sir.

6138 Q. In your judgment, is the cost per ton per mile of handling State less than carload business any greater than the cost per ton per mile of handling interstate less than carload business?

A. No, sir, I explained before lunch that in my opinion the cost of handling interstate less than carload business per ton per mile would slightly exceed the cost of handling State less than carload business.

Q. Mr. Ludlam, generally speaking, on the western roads, how does the ratio of passenger expenses to passenger earnings compare with the ratio or freight expenses to freight earnings?

A. The ratio of freight expenses to freight earnings, is, generally speaking, lower than the ratio of passenger expenses to passenger earnings.

Mr. MINNIS: Is he talking about his own knowledge.

Mr. LADD: He is speaking from his own knowledge gained from an examination of accounts. He is speaking generally.

The MASTER: It seems to me that upon a question of that sort his familiarity with accounts would peculiarly fit him to give an opinion as to the comparative ratios of cost or expenses in respect of passenger as compared with freight business; his familiarity with railroad accounts and accounting and all that sort of thing must have qualified him to express an opinion upon that subject.

6139 Mr. MINNIS: He says the railroads he audited were northern or southern roads.

The MASTER: If there is any exception from what the witness says is a general rule, by reason of the geographical situation of the roads, that might appear.

Mr. MINNIS: He said western roads.

Mr. LADD: As applied to roads, generally speaking.

The MASTER: I did not understand that the question limited the inquiry to western roads.

Mr. LADD:

Q. How is it upon railroads generally, speaking broadly?

A. Speaking generally, I should say that the ratio of freight expenses to freight earnings was less than the ratio of passenger expenses to passenger earnings. I might add that in the case of those western roads with which I have had some experience, the Atlantic and Pacific and the Colorado Midland, that the ratio of freight expenses to freight earnings was very much less than the ratio of passenger expenses to passenger earnings.

Q. What was the average revenue for each ton of freight carried by all the railroads in the United States during the year 1904, as shown by the statistics of the Interstate Commerce Commission?

A. $1.07.

Q. That is, all the railroads in the United States received that much, on the average, based on the average which each railroad receives for each ton of freight it hauls: Is that it?

A. Yes, sir.

6140 Q. Suppose a ton of freight shipped from Cincinnati to Kansas City comes to St. Louis over the Baltimore & Ohio Southwestern and from St. Louis to Kansas City over the Wabash: Now, in this computation which has been made, and which results in $1.07 per ton being received on the average by each railroad, would that particular ton of freight enter into the calculation twice?

A. Yes, sir, that would count as two tons of freight.

Q. But suppose a ton of freight is hauled by the Santa Fe Railroad from Chicago to Los Angeles, California, how much would that count, one ton?

A. That would count as one ton, the same as in the case of a ton of freight hauled on the Wabash from Kansas City to Buffalo. That would count as one ton also.

A. Each road which handles that particular ton of freight, it

goes into these accounts in making up the average receipt of $1.07 received by each road which handles it?

A. Yes, sir, it is a ton of freight for each road that handles that ton.

Q. Whether the haul be long or short?

A. Yes, sir, whether the haul be long or short.

Q. It appears from Mr. Miller's testimony which he has given here, that the expense per ton for conducting transportation as shown on page 45 of the annual report of the Wabash Company for the year ending June 30, 1905, was 67 cents; and if the company freight is included as well as the revenue freight, the expense of conducting transportation per ton would be 56 cents: Now,
6141 assuming that the terminal expense is included in the list of expenses under the head of "conducting transportation," what do you say about the terminal expense for each ton being 50 cents or its being possible that it should be 50 cents?

A. It would be mathematically impossible to have two terminal expenses of 50 cents each in a total expense of 67 cents.

Q. What do you say about having one terminal expense of 50 cents, when the total expense of conducting transportation is either 56 cents or 67 cents?

A. That would also be impossible, for the reason that it would leave only 6 cents or 17 cents per ton for all of the other conducting transportation expenses.

Q. If the average amount received by the railroads of the United States was $1.07 for each ton of freight they handle, in your opinion would it be possible to allow two terminal charges of 50 cents, or even one terminal charge of 50 cents, and meet the other necessary expenses connected with the operation of that road?

A. It would not, and furthermore, the $1.07 per ton is the revenue per ton. The expenses of all the roads in the United States for the year ending June 30, 1904, amounted, as I recall it, to about 70 per cent of the earnings. So that the total expenses per ton, even assuming for the sake of the argument that the freight expenses bear as great a ratio to the freight earnings as the passenger expenses bear to the passenger earnings, the total expenses per ton would be only 70 per cent of the $1.07 or about 74 or 75 cents.
6142 So of course you could not take two terminal expenses of 50 cents each out of a total expense of 75 cents.

Q. Could you take even one?

A. No, sir. And still conduct the rest of the business.

Q. And meet the expenses of maintenance of way and structures and maintenance of equipment and the other items of conducting transportation?

A. No, sir, you could not.

Q. Would you venture an opinion as to what the actual terminal cost is on the average ton of freight?

A. Yes, sir.

Q. And you will give it?

A. I should estimate it roughly, considering all classes of freight, at from 7 to 10 cents per ton at each terminal.

At the request of counsel for Complainant, in order to give him opportunity to prepare for cross examination of this witness, the cross examination is deferred until after the conclusion of the cross examination of the same witness in the Missouri Pacific case.

6143 Mr. LADD: Certain portions of the annual reports of the Wabash Company I know have been formerly offered, and I would like to have an opportunity to look over the record and if there is anything else I want to offer which I have not already offered I will point it out to Mr. Minnis.

NOTE.—It is agreed between the parties that all the railroads or parts of railroads in the State of Missouri, are owned and operated by rail road corporations.

Mr. LADD: I have in my hand the annual statements of the Wabash Railroad Company to the Board of Railroad and Warehouse Commissioners of the State of Missouri for the years ending June 30, 1904, June 30, 1905, and June 30, 1906.

My recollection is they were all identified by Mr. Tobin on his cross examination.

I will offer from each one of these reports the matter on page 18, which deal with the earnings of the Company in Missouri.

The MASTER: It is ordered that counsel in the argument of this case shall be at liberty to use any parts of such reports, and to have copied into the record any other portions than those offered.

The MASTER: Leave is given to defendant to introduce such parts of any of the reports of the company to the State Board of
6144 equalization as they may hereafter see fit, on or before the final closing of this case.

The defendant here rests.

The further hearing of this case will be continued, subject to be resumed upon notice to the respective parties.

6145 ST. LOUIS, *April 4th*, 1907.

Pursuant to notice given to parties by the Master, met in the Federal Building in the City of St. Louis on Thursday April 4, 1907, at ten o'clock, A. M.

Present: Hon. F. L. Schofield, Special Master.

Messrs. James L. Minnis and Frank Hagerman appeared in behalf of the Complainant.

Assistant Attorney General John Kennish and Mr. S. B. Ladd appeared in behalf of the Defendants.

The following proceedings were had.

Mr. MINNIS: Mr. Hagerman tells me that some question arose in Kansas City, during the hearing in the Missouri Pacific case, as to Mr. Miller's testimony given in this case. I do not want this case to be closed with any uncertainty or ambiguity in the testimony. I understand that the State claims that Mr. Miller testified that the

ton mile basis was the proper basis for dividing the cost of state and interstate business. We have gone carefully through the whole testimony, and according to our interpretation of it, Mr. Miller makes no such statement at all. He stated that the ton mile unit is the one generally used in railroads, and is the correct one for ascertaining the relative situation; but that merely gives the average cost. According to our interpretation of his testimony, he nowhere says that the ton mile basis could be used in separating state and interstate expenses.

I thought if your Honor was in doubt about it, we might call Mr. Miller.

6146 Mr. LADD: Mr. Miller's testimony was read just as it appears in the record.

Mr. MINNIS: Mr. Miller has stated to Mr. Hagerman and myself that he never said any such thing.

The MASTER: If a question arises between counsel as to the interpretation of the testimony of a witness, which is already in, I do not think counsel would have the right to call upon the Master beforehand, and ask for the Master's interpretation of that evidence. I do not care to do that. If there is a controversy between you as to what he meant by the testimony he gave, and the testimony appears to be equivocal, or susceptible of more than one interpretation, I should think the proper way would be to allow the witness to interpret it. And I will permit you to introduce Mr. Miller again if there is such a controversy.

Mr. LADD: There is not any trouble as to what Mr. Miller said. It is perfectly plain in the record.

Mr. MINNIS: Frequently, in trying cases, where there is a dispute between counsel as to what the testimony of a witness was, I have had the Court himself call upon the witness to declare what he said, in order to remove that misunderstanding.

The MASTER: I will not call upon the witness; but I will permit you to introduce him, if there is this controversy between counsel. If the witness wants to place an interpretation upon his evidence, or if the witness after an explanation to him desires to take the stand and testify in respect of any matter, lest there might be

6147 misinterpretation of his evidence, I shall permit that. But I shall not invite the witness back upon the stand.

Mr. MINNIS: Our position is that Mr. Miller, and all who read his testimony, deny that he made any such statement.

The MASTER: You may take your own course upon that, Mr. Minnis.

Mr. MINNIS: I have not a copy of the cross-examination of these witnesses for the State in the Missouri Pacific case, but I have talked with Mr. Hagerman, and I will offer to read in evidence from the record of the cross-examination——

Mr LADD: I shall have to ask Mr. Minnis exactly what parts of that cross-examination he wishes to use.

Mr. MINNIS: When I get that, I shall want to use all of it.

Mr. LADD: You will find there is a large part of it you will not want to offer.

The MASTER: You did not finish what you said you wanted to offer, Mr. Minnis; but I understand it is the cross examination of the witnesses Ludlam and Taliaferro in the Missouri Pacific case?

Mr. MINNIS: Yes sir, including the exhibits offered in connection with that testimony.

The MASTER: As I understand it, the situation is about this: In the Wabash case the State was permitted to examine wit-
6148 nesses upon a certain exhibit, which showed the result of examinations by them of a month's business of the Missouri Pacific Railway Company. I think it was the month of October, 1905. That was filed as an exhibit in the Wabash case.

Mr. MINNIS: There were a number of them.

The MASTER: There were several others that related to that same matter, perhaps. Those are already filed in this case.

Mr. HAGERMAN: By different numbers.

The MASTER: Identical exhibits were filed in the Missouri Pacific case, and the witnesses were cross-examined, and you wish to stipulate that the cross-examination of the witnesses Ludlam and Taliaferro in regard to those exhibits shall be incorporated in this case?

Mr. MINNIS: Their entire cross-examination, and also the exhibits referred to and offered in connection with their examination, also relating to the figures in connection with the Wabash.

The MASTER: Even though it does not relate to this case at all? You want the new exhibits that were filed in the Missouri Pacific case?

Mr. MINNIS: If these figures have any connection, they must be considered in connection with the whole Missouri Pacific case. You could not isolate them, and say, this should be regarded, but not that.

The MASTER: Exhibits that grew out of the original exhibits, that have already been filed, or which grew out of the examination
6149 or cross-examination of the witnesses who prepared those original exhibits, I should think would be all right enough. But there are a great many exhibits filed in the Missouri Pacific case that have no relation at all to the Wabash business. You would not want those exhibits in?

Mr. MINNIS: Were they involved in this cross-examination in any way?

The MASTER: They were undoubtedly, in the cross-examination, all of them; but not involved in the cross-examination relative to the exhibits already filed in the Wabash case.

Mr. MINNIS: The question is, whether all those figures do not have relation to each other?

The MASTER: I could not pass upon that intelligently without knowing what I am doing. I know there are a great many exhibits in the Missouri Pacific case that would be totally irrelevant to the issues in this case, and I do not want to encumber the record with that mass of irrelevant testimony.

You must indicate what you wish to offer.

Mr. MINNIS: I wish to offer the cross-examination and exhibits offered in connection with their cross-examination. They might

be asked about figures not offered in the Wabash case at all, and it would not be complete without we had all the figures referred to, it seems to me. For instance, you have an exhibit offered in the Wabash case; suppose counsel called attention to some figure not offered in the Wabash case, but which would explain other things. That would be just as relevant as the figures that were offered.

6150 The MASTER: The difficulty would be in separating what is relevant from what is irrelevant. I would much prefer the usual course of going ahead and cross-examining these witnesses in this case. That would be the proper way, and I would much prefer it.

Mr. MINNIS: That would be merely repetition.

The MASTER: Repetition in some cases, but not repetition of a great mass of irrelevant immaterial.

Mr. MINNIS: These cases will be all briefed up, so you will not be burdened with reading all this matter.

Mr. LADD: We said a few weeks ago, when the evidence was offered in the Missouri Pacific case, that we would agree that Mr. Minnis should offer the cross-examination given in the Missouri Pacific case in the Wabash case. There is an immense part of the cross-examination of these two witnesses given in the Missouri Pacific case, which has nothing to do with the Wabash case.

Mr. HAGERMAN: Mr. Minnis wanted me to point it out, but I had not the Wabash testimony or exhibits before me, and I couldn't do it.

Mr. LADD: There will not be any difficulty in pointing out the testimony referring to the Wabash, and I will consent that it should go in this case, but it seems to me that at the same time I should want such part of the Direct and Re-direct Examination that refers to it, so as to connect it up.

Mr. HAGERMAN: Another thing Mr. Minnis wanted me to suggest, and I couldn't do it without more light on the Wabash case; but he might state that there would be some general questions bear-

6151 ing on these exhibits that are offered. I couldn't do it without having the exhibits before me.

The MASTER: There is exactly the difficulty. I do not want to be put in this position, when I come to pass upon the evidence in this case—I do not want to be put in a position to be told that practically all the evidence in the Missouri Pacific case was submitted in the Wabash case, by any such stipulation as that. If there is any evidence which was submitted in the Missouri Pacific case that is relevant to the issues in this case, and it can save time to allow it to be introduced in this case by stipulation, bring it forward and introduce it, and then I will know exactly what we are about; what is in evidence in this case, and what is not.

Mr. MINNIS: In that same connection, I wish to offer such parts of the rebuttal evidence of the witnesses Johnson and Roth, offered in evidence in Kansas City in the Missouri Pacific case, as is germane to this same subject.

Mr. LADD: I cannot agree to allow testimony to go in in that general way, without knowing what it is. I have to look at it.

Mr. MINNIS: Mr. Ladd, have you the statement of the Board of Equalization for 1906, as to the assessment of our property?

Mr. LADD: I wish to put in some things, and if you will let me go on, probably I can do that. That is the returns and the assessments, too, and probably it will be in the shape you will want it, if you will let me examine Mr. Taliaferro. We will get the
6152 returns and the assessment, in that way, all in together, if you like.

Mr. MINNIS: I thought you had closed your case, Mr. Ladd.

Mr. LADD: You look at the record and you will see those things were to be pointed out.

The MASTER: If Mr. Ladd, through inadvertence, omitted to offer any evidence, he may do so now.

6153 A. P. TALIAFERRO, Recalled, on behalf of the defendants, testified, as follows, to-wit:

Direct examination.

By Mr. LADD:

Q. Have you the reports made by the Wabash Railroad Company to the State Auditor for the purposes of taxation for 1906?

A. Yes sir.

Q. For what year?

A. June 1, 1905, it is dated. It is sworn to in December of that year.

Q. It was sworn to by Henry Miller, General Manager, on the 4th day of December, 1905.

What was the value of the property of the Wabash Railroad Company, in the State of Missouri, according to that report?

A. $3,627,375.

Mr. MINNIS: Objected to, because it does not tend to prove the value of the property at the present time, or at the time the suit was filed.

The objection is over-ruled.

Mr. LADD: I will offer in evidence the certificate of the State Auditor as to the assessments in the counties, under Section 9360 of the Revised Statutes, for the taxes of the same year, amounting to $800,690.

The paper referred to is marked "Defendant's Exhibit No. 32.

6154 Defendant's Exhibit No. 32 is in words and figures following, to-wit:

6155 Mr. LADD:

Q. Have you the assessment by the State Board of Equalization?

A. I have the journal of the Board for 1906.

Q. What was the valuation of the property as assessed by the State Board of Equalization?

A. $9,312,799.64.

Mr. LADD: I offer in evidence pages 44 and 45 of the 16th Annual Report of the Directors to the Stockholders of the Wabash Railroad Company for the Fiscal Year ending June 30, 1905.

Mr. MINNIS: I offered all of those reports.

Mr. LADD: I was not sure whether you had or not. I find a memorandum in the record, stating that I was to designate certain portions of these reports, and that is what I am trying to do.

Pages 44 and 45 of the 16th Annual Report of the Directors to the Stock-holders of the Wabash Railroad Company for the Fiscal Year ending June 30, 1905, are in words and figures following, to-wit:

6156 Mr. LADD: I also offer in evidence page 38 of a similar report for the year ending June 30, 1906.

Said page 38 is in words and figures following, to-wit:

6157 Mr. LADD: I offer in evidence page 40 of the Annual Report of the Directors to the Stock-holders of the Wabash Railroad Company, for the fiscal year ending June 30, 1905.

Said page 40 is in words and figures following, to-wit:

6158 Mr. LADD: I will offer in evidence page 14 of the Report of the Directors to the Stock-holders of the Wabash Railroad Company for the fiscal year ending June 30, 1906.

Said page 14 is in words and figures as follows, to wit:

6159 Mr. LADD: I will offer in evidence pages 24 and 25 of the Annual Report of the Directors to the Stock-holders of the Wabash Railroad Company, for the fiscal year ending June 30, 1904.

Said pages 24 and 25 are in words and figures following, to-wit:

6160 Mr. LADD: I offer in evidence page 12 of the Annual Report of the Directors to the Stock-holders of the Wabash Railroad Company, for the fiscal year ending June 30, 1906.

Said page 12 is in words and figures following, to-wit:

6161 NOTE.—It is agreed by and between counsel that the assessed valuation of the property of the Wabash Railroad Company, as fixed by the State Board of Equalization, is one-third of the actual value of said property, in the judgment of the said Board.

Mr. LADD:

Q. Mr. Taliaferro, in the assessment, is the value of the franchise included?

A. Yes sir.

Q. How much was that?

A. I must qualify that and say there is an item called "all other property," which I understand to be the franchise value.

Q. How much was that?

A. $1,722,330.46.

Q. That is included and embraced in the figures you gave before as the total valuation made by the Board, is it?

A. Yes sir.

Mr. MINNIS: The paper you handed me, showing assessments made by the local authorities (Exhibit 32), was that the last assessment made?

Mr. KENNISH: That was the assessment on the property owned June 1, 1905, for the taxes of 1906.

Mr. MINNIS: Have you the last one?

Mr. KENNISH: No sir.

6162 Cross-examination:

By Mr. MINNIS:

Q. You made some figures in the Wabash case with reference to intra-state and interstate shipments made from several towns along the line, and among others St. Charles?

A. Yes sir.

Q. Do you know what large factory there is at St. Charles?

A. The plant of the American Car & Foundry Company, I believe.

Q. You have been there?

A. I have only passed through on your road.

Q. That is a large industry, isn't it?

A. Very large, I understand.

Q. There is no such industry at any other town along the line, is there, that you know of?

A. At any town?

A. In Missouri—yes.

A. Not that I know of.

Q. That company makes cars, and the data you obtained shows that they shipped out cars to various places, and shipped in material from various places?

A. Yes sir. We kept the weight of the cars separate. We did not keep the weight of the material in separate from other freight.

At this point a recess was taken until four o'clock, P. M.

6163 After recess, on Thursday, April 4th, 1907, the following proceedings were had:

Mr. HAGERMAN: Exhibits 19 and 20 in the Missouri Pacific case are the same as Exhibits 19 and 31 respectively in the Wabash case.

Exhibits 21, 22 and 23 in the Missouri Pacific case are exactly the same as Exhibits 25, 30 and 26 in the Wabash case.

Exhibits 30 and 31 in the Missouri Pacific case are Missouri Pacific figures; and those figures, as therein contained, applied to the Wabash figures, are shown in Exhibits 20 and 21 respectively in the Wabash case.

Mr. MINNIS: We desire to offer in evidence in this case certain portions of the cross-examination of the witnesses C. F. Ludlam and A. P. Taliaferro, and from the rebuttal testimony of the witnesses Johnson and Roth, as given in the Missouri Pacific case.

The MASTER: Uuless objection be taken by counsel for the State, to the form in which the evidence is offered, I shall permit you to read in evidence in this case the cross-examination of the witnesses

Ludlam and Taliaferro made by counsel in the Missouri Pacific case, upon any matter relating to Missouri Pacific business, which has been offered in evidence in the Wabash case. Also the rebutting testimony of the witnesses Johnson and Roth upon the same subject.

And the defendants may read in evidence such parts of the Direct Examination, and Re-direct Examination of the witnesses Ludlam and Taliaferro, and the Cross and Re-cross Exam-
6164 ination of the witnesses Johnson and Roth upon the same subject, as they may see fit.

Mr. MINNIS: I desire to read from the cross-examination of Mr. Ludlam, given in the Missouri Pacific case, as follows:

Beginning at the top of 4189 down to and including the third answer on page 4198.

The second question and answer thereto on page 4203.

Beginning with the last question on page 4203 to and including the last answer on page 4205.

Beginning with the fifth question on page 4207 down to and including the next to last answer on page 4228.

Beginning at the top of page 4242 down to and including the first answer on page 4275.

Beginning with the third question on page 4280 down to and including the fifth answer on the same page.

Beginning with the last question on page 4286 down to and including the last question on page 4380.

Beginning at the top of page 4393 down to and including the second answer on page 4422.

Beginning with Re-Cross Examination on page 4486 down to the bottom page 4498.

6165 Mr. MINNIS: I desire to read from the cross-examination of the witness A. P. Taliaferro, as given in the Missouri Pacific case, the following:

Beginning at the top of page 4566 down to and including the last answer on page 4569.

Beginning with the first question down to and including the second answer on page 4584.

Beginning with the last question on page 4585 down to and including the last answer on page 4601.

Beginning at the top of page 4602 down to and including the third answer on page 4603.

Beginning at the top of page 4615 down to Re-direct Examination on page 4618.

6166 Mr. MINNIS: I desire to read from the direct examination of the witness F. P. Johnson, given in rebuttal in the Missouri Pacific case, as follows:

Beginning with the last question on page 4663 down to the last question on page 4688.

Mr. MINNIS: I desire to read from the direct examination of the witness H. Roth, given in rebuttal in the Missouri Pacific case, as follows:

Beginning with the first question on page 4724 down to the bottom of page 4725.

6167 NOTE.—It is agreed that T. J. Tobin, the Auditor of the Wabash Railroad, may prepare as exhibits in this case, statements upon the theory and following the method in which Messrs. Johnson and Roth prepared Exhibits 29-*a* and 36-*b* in the Missouri Pacific case, using therein figures shown in Exhibits already introduced in this case, instead of Missouri Pacific figures; provided, however, that no statements of fact shall be contained in such exhibits, which are not already in evidence in this case.

It is further agreed that counsel for the State shall have the right to introduce at the next hearing, such parts of the Direct, Cross, and Re-Direct Examination of the witnesses Ludlam and Taliaferro in the Missouri Pacific case, relative to the testimony of the Wabash involving the figures of the Missouri Pacific Company, as shall be definitely indicated by them on the transcript of testimony in that case.

Also relevant portions of the Direct, Cross and Re-direct Examination of the witnesses Johnson and Roth, in their rebuttal testimony, as may be definitely indicated.

The MASTER: Upon the introduction and hearing of the Complainant's exhibits to be introduced, as above stated, and the designation of evidence to be made by the Defendants, the case will stand submitted without further testimony.

For the purpose of hearing such evidence, the case will stand continued, until Tuesday, April 16, 1907, at the Federal Building, Kansas City, Mo., at which time and place all parties at interest are required to attend.

Wabash Railroad Company.

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6168 KANSAS CITY, MO., *Apl.* 16, 1907.

Met pursuant to adjournment as above, on Tuesday, April 16, 1907, in the Federal Building, in Kansas City, Missouri.

Present: Mr. F. L. Schofield, Special Master; Mr. Frank Hagerman appeared in behalf of the Complainant; Messrs. H. S. Hadley and S. B. Ladd appeared in behalf of the defendants.

The following proceedings were had:

Mr. LADD: At the close of the last hearing in this case, leave was given to the defendants to introduce at this hearing certain portions of the testimony of the witnesses C. S. Ludlam, A. P. Taliaferro and F. P. Johnson and H. Roth, taken in the Missouri Pacific Case, as should be definitely indicated by counsel for the defendants at this time. I now hand to the stenographer a paper which indicates the pages upon which that testimony will be found.

The MASTER: Miss Eagan will include the pages here designated, in the record of the Wabash Case.

Is there anything else on behalf of the Wabash Railroad Company?

Mr. HAGERMAN: No, sir.

The MASTER: Leave was given to file an Exhibit.

Mr. HAGERMAN: I have a letter from Mr. Minnis, stating that the figures from which such a statement could be compiled do not appear in this record; therefore it could not be compiled.

Thereupon the testimony is closed.

6169 The defendants offer in evidence the following testimony adduced in the Missouri Pacific case:

From the testimony of C. S. Ludlam, the following:

From the last question on page 818, to and including the whole of page 835.

Pages 837 to 840, inclusive.

Pages 843 to 848, inclusive.

All of that part of page 874 beginning with the words, "I want to offer."

Page 875.

Page- 876 to 929, inclusive.

Beginning with page 1040 and running to the last question on page 1049.

From the third question on page 1080 to the last answer on page 1087, inclusive.

From the first question on page 1113 to the last answer on page 1115, inclusive.

The last question on page 1136 and its answer, and the first question on page 1137 and its answer.

Beginning with the last question on page 1049 and concluding with the last answer on page 1074.

Beginning with the last question on page 1093 and concluding with the first answer on page 1109.

Last question on page 1366 to the last answer on page 1373.

Beginning with the last question on page 1374 and running to and including the answer at the top of page 1385.

Beginning at the last question on page 1386 and running to the 7th answer on page 1392, inclusive.

Beginning at the last question on page 1403 and ending with the last answer on page 1404.

6170 Beginning with the last question on page 1405 and ending with the last answer on page 1418.

Mr. Taliaferro's Testimony:

Beginning with page 1470, to and including the third answer on page 1477.

Beginning with the 6th question on page 1481 to and including the last answer on page 1483.

Beginning with the 4th question on page 1492, to and including page 1497.

Question 2 on page 1511 and the answer to it.

Question 2 on page 1513 and the answer to it.

Questions 1 and 2 on page 1515 and the answers to them.

The whole of page 1533.

Beginning with question 4 on page 1540 to and including page 1545.

Pages 1806 to 1809, inclusive.

From the Testimony of F. P. Johnson:

Page 1660 to and including the 4th answer on page 1679.

Page 1686 to the first answer on page 1694, inclusive.

The last question on page 1694 to the first answer on page 1696, inclusive.

Page 1710 to the first answer on page 1720, inclusive.

The 4th question on page 1762 to and including the first answer on page 1763.

Also the following from the Testimony of H. Roth:

Pages 1724 to page 1749, both inclusive.

The first question on page 1758 to page 1760 inclusive.

6171 The testimony offered by Counsel for Complainant, and Counsel for Defendant as adduced in the Missouri Pacific Case, and hereinabove designated, is in words and figures following, to wit:

From the testimony of C. S. Ludlam, the following:

Direct examination, C. S. LUDLAM.

By Mr. S. B. LADD:

Q. Your firm, I believe, was employed by the State of Missouri to investigate the accounts, so far as might be deemed necessary, of the Missouri Pacific and the Wabash Railroad Companies, as Complainants in this litigation, weren't you?

A. Yes.

Q. Who has been in the more immediate and constant charge of that investigation?

A. Our Mr. A. P. Taliaferro. He has had direct charge and given personal attention to the supervision of the work. In fact, a certain part of the work he has done himself.

Q. Where is his home?

A. His home is in New York. He was assigned to this work and instructed to give his entire and undivided attention.

Q. Do you know what time he came here?

A. In June and I think on the 18th of June, 1906.

Q. And he has been here ever since?

A. Continuously, except when he has gone to Chicago and Kansas City to attend hearings.

Q. Hearings in this case?

A. Yes sir, in this case.

Q. And he has given his exclusive attention to this work?

A. Yes sir.

Q. And he has no other duty to perform?

A. Absolutely none other.

Q. He has had assistants under him?

A. Yes sir, he has had as high as eight men under him. Eight is as high as he has had.

6172 Q. He brought his family with him, didn't he?

A. I think he did, yes sir.

Q. Since this work commenced in June, I will ask you if you have been in St. Louis frequently and in the office, and have taken more or less part in this investigation Mr. Taliaferro has been carrying on?

A. Yes sir, I have given a great deal of personal attention to it and have come to St. Louis and I also went to Chicago and Kansas City in connection with the hearings at those places.

And I have come to St. Louis a number of times and gone over a great deal of the work, and laid out many of the Exhibits we have prepared, showing as we think as precisely as the matter can be presented, the results of operations of the company.

Q. Mr. Taliaferro has taken your advice, or you have consulted together, regarding the methods to be pursued in order to get at the facts?

A. Yes sir, we have kept in constant touch with each other. Even when I was not here we have exchanged letters planning the work and discussing it.

Q. Have you attended most of the hearings in these three cases?

A. Yes sir, I have attended most of them. There was one hearing in the Burlington case, I think in Chicago, and also one in St. Louis in the Wabash case, which I did not attend. And I did not attend the first hearing in the Missouri Pacific case here in

6173 St. Louis. But where I have not attended the hearings I have read the testimony, so far as it has been written.

Q. You have already testified as a witness in the Wabash case and in the Burlington case, haven't you?

A. Yes sir.

Q. How many men, besides Mr. Taliaferro and yourself, have been employed here in St. Louis and other places that were necessary, if you had to go to any other places, in the investigation of the accounts of the Wabash and the Missouri Pacific Railroad Companies, for the purposes of this case?

A. I think the maximum has been eight, besides Mr. Taliaferro and myself. Of course we have not had those eight on all the time. At first stages of the work we have had two, three or four, and at other times five, six, seven or eight men. I think eight is the maximum we have had at any one time, and we have probably averaged since last June four or five continuously.

Q. I will ask you whether you had endeavored to be careful in

the selection of your assistants; to engage men who are competent and trustworthy.

A. We always think we do that. We do not think we would stay in business very long if we did not. Because of course our capital is absolutely the accuracy and correctness of our work.

Q. You may state, Mr. Ludlam, whether during the progress of this investigation you and your assistants examined the freight business of the Missouri Pacific Railway Company for the month
6174 of October 1905, so far as the State of Missouri might be interested in it?

A. Yes sir, we made an examination of the way-bills and records of the Missouri Pacific Railway Company for the purpose of determining the freight handled by the company during the month of October 1905, within the State of Missouri.

Q. Did your investigation reach all the freight handled by the Missouri Pacific Railway Company which went over any part of its system in Missouri?

A. Yes sir.

Q. No matter where it came from and no matter where it went?

A. Yes sir.

Q. And what were your sources of information?

A. The way-bills and records of the company. The principal figures were taken from the Auditor's freight journals. Wherever it was necessary to insure the accuracy of the work, we referred back to the original way-bills.

Q. You were afforded access to these records and papers by the officials of the company, were you?

A. Yes sir.

Q. And you obtained this information in the offices of the company?

A. Yes sir.

Q. Were you able, from these sources, to separate this freight, inter-state from the State freight?

A. Yes sir.

Q. I will ask you what you understand to be inter-state
6175 freight?

A. Inter-state freight is that freight which touches some other State besides the State of Missouri.

Q. And also touches Missouri?

A. Yes sir.

Q. What do you understand in this connection by "State" freight?

A. That business which moves from one point to another point within the State of Missouri, without leaving the State en route.

Q. Would the material at your hand enable you to separate the inter-state freight, so as to show how much of it was in carload lots and how much in less than carloads?

A. Yes sir.

Q. Could you separate the State freight in the same manner?

A. Yes sir.

Q. Did you also learn the gross amount of revenue received from

the freight business in the month of October, 1905, by the Missouri Pacific Railway Company?

A. Yes sir. The gross amount applicable to Missouri.

Q. Did you also ascertain that part of the revenue which was earned by the inter-state carload business and the inter-state less than carload business; State carload business and State less than carload business?

A. Yes sir.

Q. Did you also ascertain the number of tons of freight of the inter-state carload business, inter-state less than carload business, State carload and State less than carload business, separately?

6176

A. Yes sir.

Q. Did you also ascertain the number of tons one mile of each of those four classes of freight?

A. Yes sir.

Q. Did you learn also the average amount received per ton mile for each one of those four classes?

A. Yes sir.

Q. And the average length of haul of each of them?

A. Yes sir.

Q. And the average amount received per ton for each of them?

A. The average received per ton and the average amount received per ton mile.

Q. It was entirely practicable with the information furnished to you, to ascertain the different amounts, by the application of the necessary amount of work: Is that right?

A. Yes sir.

Q. Now, I will ask you, looking at the exhibit which I am going to offer in evidence presently as Exhibit 19, under the heading of the sixth column is the number of tons one mile: How do you ascertain the number of tons one mile? Explain the methods of arriving at that.

A. The number of tons one mile is determined by multiplying the tonnage by the number of miles hauled. In other words, one ton hauled one mile would be one ton mile. One hundred tons

6177

hauled ten miles would be one thousand ton miles.

Q. Suppose in your investigation you found on a way-bill or record which was open to you, a statement of one ton of freight of some description hauled ten miles, that would be ten ton miles, would it?

A. Yes sir.

Q. And another half ton of freight hauled twenty miles, that would be ten ton miles, would it?

A. Yes sir.

Q. And the addition of those would be twenty ton miles?

A. Yes sir.

Q. That is the way you get at it, is it?

A. Yes sir.

Q. That is to say, you took each shipment of freight by itself, ascertained how far it was hauled, and in that way found the num-

ber of ton miles which pertained to that particular shipment: Is that it?

A. That is the principle. In preparing this statement, if there were four or five shipments between the same two stations, we would add those shipments together and then multiply them all by the distance between those two stations.

Q. But so far as shipments differed from each other in the length of the haul, each shipment and each haul was considered by itself, and the number of ton miles resulting from that shipment and all other shipments, were added together, so as to reach the gross number of ton miles: Is that it?

A. Yes sir.

Q. I see in the ninth column, under the head of "average
6178 length of haul, miles" the largest figure for instance is inter-state carload freight 104 miles: How did you get the average haul? Explain that.

A. By dividing the number of tons one mile, as shown by column six, by the number of tons, as shown by column one.

Q. Suppose you find one ton that is hauled ten miles: you find another shipment of one-half a ton hauled twenty miles. You find another shipment of two tons hauled fifteen miles: All of the same kind of shipments, we will say. What is the average haul? In the first place what is the total ton miles?

A. The total ton miles would be fifty.

Q. How many tons are there?

A. Three and one-half tons.

Q. And how many ton miles is the first one, ten miles?

A. Yes sir.

Q. And the second one, twenty?

A. Ten miles.

Q. And two tons fifteen miles?

A. Thirty miles.

Q. That makes a total of fifty ton miles: Is that right?

A. Yes sir.

Q. Then how do you get at the average haul?

A. The number of tons being three and a half tons, I would divide the three and a half into the fifty, which would give 14 2/7 miles.

Q. That is the average haul?

6179 A. Yes sir.

Q. And it is by that method you reach the result shown in column nine, is it?

A. Yes sir.

Q. What did you ascertain to be the total weight in tons during that period of the inter-state freight?

A. 459,501 tons.

Q. And the State freight was how much?

A. 151,033 tons.

Q. What was the percentage of the inter-state freight to the total in tons?

A. 75.26 per cent.

Q. And the State freight was the remaining 24.74?
A. Yes sir.
Q. That is in weight, tons?
A. Yes sir.
Q. Go to column seven: What was the percentage in ton miles of the inter-state freight to the whole?
A. 86.02 per cent.
Q. And the State freight?
A. 13.98 per cent.

Mr. HAGERMAN:

Q. Let me see if I understand that: Of the total number of tons moved, regardless of distance, 76.26 represented inter-state and 24.74 State freight?
A. Yes sir.
Q. And this other column No. 7, of the ton miles, that is a ton carried a mile, and then the percentage becomes 86.02 for
6180 inter-state as against 13.98 for State?
A. Yes sir.

Mr. LADD:

Q. The percentage of the total ton miles of inter-state freight is larger than the percentage of tons of inter-state freight?
A. Yes, sir.
Q. Now what is the cause of that?
A. The inter-state freight is hauled further on the average than the State freight.
Q. Now look at column nine: How far on the average is inter-state freight of all classes hauled? That is to say, each ton of it.
A. 105 miles on the average.
Q. And on the average how far is each ton of State freight hauled?
—. 52 miles.

Mr. HAGERMAN:

Q. Right there, how do you get the less than carload freight going further than the carload freight? It would appear to me the other way, that the carload haul would be the long haul.
A. I think that would be the opinion of all railroad men, and I think that is why their judgment is also wrong on the basis of the cost of the two.
Q. You think as a matter of railroad experience, that the less than carload freight is actually hauled longer than the carload freight?
A. I think less than carload is hauled further than carload freight, although I think if the average railroad man was asked off-
6181 hand he would say that carload freight is hauled further than less than carload.
Q. I see that is what your figures show.
Excuse me for interrupting but it will save me asking so many questions on cross-examination.

Mr. LADD: I hope you will ask any questions you wish as we go along.

The MASTER: That would only apply, so far as the movement of the inter-state freight is concerned, while passing into or through the State of Missouri?

A. Yes, sir.

Mr. HAGERMAN:

Q. I understand this does not represent anything outside of the State.

A. That is all.

The MASTER:

Q. That is why I asked the question. If you include the distance of all inter-state freight, from the point of origin to the point of destination, the average mileage would be largely increased?

A. Yes, sir, but my opinion is that the relative proportion as shown here, (indicating exhibit) between the length of the carload haul and the length of the less than carload, would not be changed materially.

Mr. LADD:

Q. I had not thought about asking you about that, but your opinion is, here is the Missouri Pacific system which runs as a system of its own, from St. Louis to Pueblo; across the State of Missouri to Kansas City from St. Louis is about 280 miles; from Kansas
6182 City to Pueblo I presume would be 600 miles, wouldn't it, Mr. Doddridge?

Mr. DODDRIDGE: Yes, sir, about 600 miles.

Mr. LADD:

Q. You are inclined to think, that if the whole system was taken, St. Louis to Pueblo, and include in any estimate that would be made, all the freight that would run through from St. Louis to Pueblo in carload lots, do you think the average haul of less than carload freight would be greater than carload freight?

A. Yes, sir, the average distance. The reason for that is that those people who buy in large quantities, buy at the near market. If you give the matter careful consideration that will appeal to anybody.

Coal, which is a large item in the tonnage of a railroad, is never hauled as far as drygoods, for instance, which moves in less than carload quantities. Marshal Field, who ships in vast quantities, but mostly in less than carload quantities, ships from Chicago to San Francisco and the City of Mexico and clear down in Texas, Oklahoma, Wyoming and Washington. But nobody in San Francisco would buy a car of coal in Chicago. And there would not be as much of the carload freight that would move long distances as there would be of the less than carload.

Grain, for instance, does not move great distances, as a general proposition. Wheat will move to the nearest mill.

Ice would not move very far.

But those articles which move mostly in less than carload lots will move a great deal further than those articles which move in carload lots.

Mr. LADD:

Q. Look at column two and state what the percentage of
6183 inter-state carload freight is to the total amount of all kinds of freight carried.

A. 72.44 per cent.

Q. What is the percentage of inter-state less than carload freight to the total quantity of all kinds of freight, both State and inter-state?

A. 2.82 per cent.

Q. In the same column, what is the percentage of State carload freight in tons, to the whole number of tons of all kinds of freight carried?

A. 23.20 per cent.

Q. And what is the percentage of State carload freight to the whole number of — freight?

A. 1.54 per cent.

Q. So the percentage of inter-state less than carload freight to the whole quantity of freight is almost twice as much as the percentage of State less than carload freight to the whole amount of freight: Is that right?

A. Yes sir.

Q. The third column purports to show the gross earnings from each class of freight, both State and inter-state: That is correct, is it?

A. Yes sir.

Q. Now what was the percentage of the earnings from the inter-state traffic to the total freight earnings?

A. 74.27 per cent.

Q. And what is the percentage of revenue from State traffic to total earnings?

6184 A. 25.73 per cent.

Q. Were you able to ascertain the average amount received per ton for the hauling of these different classes of freight?

A. Yes sir.

Q. That is also shown in column five, is it?

A. Yes sir.

Q. And the average amount received per ton mile for handling these different classes?

A. Yes sir, that is shown in column eight.

Q. What was the average amount received per ton for interstate carload freight?

A. 69.17 cents.

Q. That is entirely independent of the length of the haul, isn't it?

Q. Yes sir, they receive- 69 cents on the average for each ton of interstate freight handled in Missouri during the month of October.

Q. In carload lots?

A. Yes sir, in carload lots.

Q. How much did they receive on the average per ton for each ton of interstate less than carload freight during that same period?

A. 4.16 and a fraction cents.

Q. How much was received on the average for each ton of State carload freight?

A. 58.47 cents.

Q. They did not receive as much per ton for hauling
6185 the State carload freight as they did the inter-state carload freight: Is that right?

A. That is correct.

Q. But how far on the average did they haul the inter-state carload freight?

A. 104 miles.

Q. And how far on the average did they haul the State carload freight?

A. 48 miles.

Q. So they received 58 cents per ton for hauling State freight 48 miles and 69 cents a ton for hauling inter-state freight 104 miles: Is that right?

A. Yes, sir.

Q. How much on the average did they receive per ton for hauling the inter-state less than carload freight?

A. $4.16 and a fraction cents a ton.

Q. How much for hauling the State less than carload freight per ton?

A. $5.11 and a fraction.

Q. How far on the average did they haul interstate L. C. L.?

A. 148 miles.

Q. And how far the State less than carload freight?

A. 114 miles.

Q. So they received $5.11 for hauling the State freight 114 and $4.16 for hauling the inter-state freight, 148 miles?

A. For hauling the interstate freight 148 miles, yes, sir.

Q. How much did they receive per ton mile for hauling
6186 the interstate carload freight, as shown in column eight?

A. .6667 cents.

Q. That means 66 and about $\frac{2}{3}$?

A. No sir, that means 6$\frac{2}{3}$ mills.

Q. 6 mills and $\frac{2}{3}$ of a mill?

A. Yes sir, 6$\frac{2}{3}$ mills per ton per mile.

Q. [illegible]w much did they receive for hauling State freight per mile?

A. 1.217 cents. That means about 1¼ cents per ton per mile.

Q. How much did they receive per ton mile for hauling the inter-state less than carload freight?

A. 2.8 cents and a fraction.

Q. 2 cents and 8/10 of a cent?

A. Yes sir, and a fraction.

Q. How much did they receive a ton a mile for hauling the State less than carload freight?

A. Almost 4½ cents a ton a mile.

Q. How far on the average did they haul that State less than carload freight?

A. 114 miles.

Q. And how far did they haul the interstate less than carload freight?

A. 148 miles.

The MASTER:

Q. So they received practically double per ton per mile for hauling State freight as what they received for hauling interstate freight?

6187 A. A little over double, if you take all of the interstate and all of the State freight.

Mr. LADD:

Q. How much did they receive on the average per ton per mile for hauling all the inter-state freight both carload and less than carload, as shown in column eight?

A. 7 mills and 796/1000 of a mill.

Q. How much did they receive per ton per mile on the average for hauling the state freight?

A. 16 mills and 619/1000 of a mill.

Q. How far on the average was that State freight hauled?

A. All of the State freight was hauled on an average 52 miles.

Q. And how far was the inter-state freight hauled on an average?

A. 105 miles.

Q. This Exhibit 19 was prepared by Mr. Taliaferro and his assistants and yourself, was it?

A. Yes, sir.

Q. You examined it?

A. Yes, sir.

Q. You are satisfied that the calculations are correct. Have you verified them or some of them?

A. Certain of them I have, and those I have not personally verified have all been verified by different men from the men who worked them out. They have all been proven as to their mathematical accuracy.

6188 Q. Have you and your assistants prepared a statement of the tonnage of carload freight on a ton mile basis, handled in Missouri by the Missouri Pacific Railway, on way-bills made on three days in October, 1905, being October 1, 2 and 3?

A. Yes, sir.

Q. Does that include all the carload freight that touched Missouri, as the result of way-bills made on those three days?

A. Yes, sir.

Q. No matter where the way-bills were made, whether made in or out of the State: Is that correct?

A. That is correct.

Q. The carload freight both State and inter-state, which touched Missouri?

A. Yes, sir.

Q. Handled on way-bills issued on those three days, wherever those way bills may have been made and wherever the freight may have originated: That is right?

A. Yes, sir.

Q. Did you divide that up, the inter-state freight, into classes?

A. Yes, sir, it was divided between what has been designated in

this case as "through inter-state" and what has been designated as "second-class inter-state."

Q. What do you mean by the term "through inter-state" as shown in this statement?

A. Through inter-state freight as shown in this statement represents that freight which originated outside of Missouri, passed
6189 through Missouri, and terminated outside of Missouri.

Q. And second-class interstate freight is what?

A. It is that class of interstate freight which originated and terminated in Missouri.

Q. And State freight is that which both originated and terminated in Missouri and did not go out of Missouri at all?

A. Yes sir.

Q. I will ask you right at this point, referring back to Exhibit 19, that does not appear to divide the interstate freight into classes, as you have in this Exhibit 20: Explain why was that not done in Exhibit 19.

A. Because when we started work on the papers which are represented by Exhibit 19, the question of dividing the interstate freight between through interstate and second-class interstate had not been raised. So we merely attempted to divide it between State and interstate. The interstate freight could at that time have been separated between "through interstate" and "second-class interstate" very easily, if we had known that information was wanted.

Mr. HAGERMAN:

Q. That is to say, when you prepared Exhibit 19 you did not have in mind the separation of the inter-state business.

A. When we started on the work we did not; and, in fact, that question was not raised until about half of the work represented by Exhibit 19 was completed.

Mr. LADD:

6190 Q. The suggestion of that division arose on the testimony of some witness at Chicago, did it not?

A. Yes sir.

Q. And you have already begun the examination for this month, before that division had been suggested to anybody, and you felt you could not go back and do your work all over again?

A. We had started it and were about half way through with it, I should say, before that suggestion was made.

Q. Going back again and referring to the statement for these three days in October, how many tons one mile came under the classification of through inter-state?

A. 1,358,754 tons.

Q. Ton miles?

A. Yes sir.

Q. How much second-class inter-state freight, in ton miles?

A. 1,763,755 and a fraction ton miles.

Q. And how much State freight ton miles?

A. 547,726 and a fraction ton miles.

Q. What proportion of the total tonnage was "through interstate"?

A. 37 and a fraction per cent.

Q. How much was second-class interstate?

A. 48 and a fraction per cent.

Q. How much was State freight?

A. 14.92 per cent.

6191 Q. How much of the whole was interstate, including both classes?

A. 85 and a fraction per cent.

Q. So that all that freight which was handled on way-bills issued during those three days, about 85 per cent was interstate freight and about 15 per cent was State freight: Is that right?

A. Yes sir.

Mr. LADD: I will offer in evidence this statement as Defendant's Exhibit 20.

Defendant's Exhibit 20 is in the words and figures following, to-wit:

6192 Mr. LADD:

Q. Have you also prepared a statement which is the result of your calculation as to the revenue per ton mile for the transportation of the commodities mentioned in the Act of 1905, at the rates fixed by that Act?

A. Yes sir.

Mr. HAGERMAN:

Q. What exhibit of ours does that correspond to or bear upon, do you remember?

A. That would relate directly to the loss which you would have sustained under the Act of 1905.

Q. That is to say, the items appearing on the first pages of Exhibit 5 and 5-*a*?

A. Yes sir.

Mr. LADD: I will offer this statement in evidence as Defendant's Exhibit 23.

The paper marked Defendant's Exhibit 23 is in the words and figures following, to-wit:

6193 Mr. LADD:

Q. This Act of 1905 I believe refers exclusively in carload lots. That is your understanding?

A. Yes sir, that is my understanding.

Q. According to Exhibit 19, the results of your investigation in the freight business of the company for the month of October, 1905, showed that the average amount received per ton per mile by the company, during that month, on inter-state carload shipments hauled on an average of 104 miles was 6 mills and about $\frac{3}{4}$?

A. Yes sir, almost exactly $6\frac{3}{4}$ mills per ton per mile.

Q. What rate or on what commodity does the Act of 1905 fix as low a rate per ton per mile as that?

A. For the same haul, 104 miles, it does not fix a rate anywhere near as low as that. The lowest rate for 104 miles would be one cent and 12/100 on grain, flour, lime, salt, cement, water-lime, stucco, lumber, laths and shingles.

Q. That is in the last column of Exhibit 23?

A. Yes sir. And that rate would be very nearly double what the average revenue per ton per mile was on inter-state carload freight during the month of October.

Q. Is there any rate fixed by the Act of 1905 on carload lots, on any commodity whatever, no matter what the length of haul, as low as the average revenue received from interstate carload freight in October, 1905. That is, as low as 6¾ mills, and if there is any point out what it is.

6194 A. The rate for the 350 mile haul on grain, flour, lime, salt, cement, water-lime, stucco, lumber, laths and shingles would be 6½ mills per ton per mile, which is a fractional part of a mill less than the average received during October, 1905, on all of the carload inter-state freight per ton per mile, for in that case a haul of 104 miles.

Q. That is, 350 miles haul. I will ask you right there: Is there any other distance or rate or commodity shown in your Exhibit 23 where they would receive less than the average rate received in October 1905, except the one you mentioned?

A. No sir.

Q. All the others are higher?

A. All the others are higher.

Q. And that one you mentioned is the last one in the last column, is it?

A. Yes sir. When you get up to the same mileage——

Q. What would be the same mileage, or as nearly the same as is practicable to arrive at it. That is, you mean to say, the same mileage as the average mileage of the interstate carload freight hauled in October 1905: Is that what you mean?

A. Yes sir.

Q. What was that average mileage?

A. 104 miles.

Q. Take your nearest mileage under the Act of 1905, and what would it be?

A. 100 miles.

Q. What are the rates there?

6195 A. The lowest rate is on horses and mules, which is 1.28 cents per ton per mile, or nearly double the amount received on the average for all of the interstate freight.

The next lowest rate is on cattle and calves, and also on grain, flour and those items, which is 1.3 cents per ton per mile.

Q. As against what?

A. As against 6¾ mills for all the interstate freight.

The MASTER:

Q. What deduction do you make from these comparisons?

A. That the rates fixed by the Act of 1905 are more than twice as much per ton per mile as the company is receiving for all of the interstate carload freight that it handles. And, of course, if the rate on all the interstate car load freight is 6⅔ mills per ton per mile they must be voluntarily hauling a large amount of their interstate carload business for very much less than 6⅔ mills per ton per mile.

Mr. HAGERMAN:

Q. If you want to make an absolutely fair comparison, and compare them with the interstate rates, have you prepared anything to show what the interstate rates are on these actual commodities, instead of comparing it with something that is hauled a great deal cheaper?

A. There are no interstate rates on these commodities.

Q. There is an interstate rate on horses and mules?

A. No interstate mileage rate, on horses and mules, that I know of.

6196 Q. Call it the rates we charge, even though there is no law fixing that rate, no rate fixed by the Inter-state Commerce Commission, there are rates we charge every day on interstate shipments.

The MASTER: I do not want to invite argument just now.

Mr. HAGERMAN: I only wanted to ask now, to get the information, so I can ask him about it after awhile.

Mr. LADD:

Q. Look again at Exhibit 19 and state what was the average haul of the State carload freight.

A. 48 miles.

Q. The average length of the State carload freight haul is 48 miles?

A. Yes sir.

Q. How much did the company receive per ton per mile, on the average, for that freight which was hauled on the average 48 miles?

A. One cent and 217/1000 of a cent per ton per mile.

Q. Take your Exhibit 23 again and state how much, under the Act of 1905, the company would receive for hauling a distance of 50 miles.

A. They would receive for hauling horses and mules a distance of 50 miles 1.7 cents per ton per mile. For hauling cattle and calves 1.8 cents per ton per mile. For hauling hogs 2.27 cents per ton per mile. For hauling sheep in single deck cars they would receive 3.6 cents per ton per mile. For hauling sheep in double deck

6197 cars they would receive 1.8 cents per ton.

For hauling agricultural implements and furniture and wagons they would receive 3.2 cents per ton per mile. For hauling grain, flour, lime, salt, cement, water-lime, stucco, lumber, laths and shingles they would receive 2.2 cents per ton per mile.

Q. Under the Act of 1905 they get these amounts just mentioned, per ton per mile, for a haul of 50 miles, do they?

A. Yes sir.

Q. And in October, 1905, for hauling 48 miles they got 1.21 cents?

A. Yes, 1.21 cents and a fraction.

The MASTER:

Q. That is the average they received for all State carload business?

A. Yes sir, all the State carload business.

Q. In other words, the rates allowed by the Act of 1905, for hauling 50 miles in carload lots, are all of them higher than the company actually received in October, 1905, for hauling State carloads, per ton per mile: Is that right?

A. Yes sir, from 40 per cent to nearly 300 per cent higher.

At this point the usual hour for adjournment having arrived, further hearing herein is adjourned until tomorrow Wednesday, February 6, 1907, at ten o'clock in the forenoon.

6198 Mr. LADD: I want to offer in evidence a couple of printed sheets which have been referred to frequently in the testimony for the Complainant. One is form No. 1940, sheet No. 2, purporting to be an analysis of statement of Superintendent's operations for the month of June, 1906 and 1905, and for the period from July 1, 1905, to June 30, 1906, compared with the same period of the previous year.

I will offer in evidence this paper as Defendant's Exhibit 26.

The paper marked Defendant's Exhibit 26 is in the words and figures following, to-wit:

6199 Mr. LADD: I will offer in evidence as Exhibit 27 another sheet which has been referred to, being form No. 1941, sheet No. 7, with the same heading as the other paper which has been marked Exhibit 26.

The paper referred to is marked Defendant's Exhibit 27.

Defendant's Exhibit 27 is in words and figures following, to-wit:

6200 The MASTER: Exhibits 26 and 27 are original sheets, to be returned to the Missouri Pacific Railway Company by the Defendant, and copies thereof to be filed as the exhibits.

Mr. LADD:

Q. Will you please look at Exhibits 26, which is Form 1940, sheet 2, which was just offered in evidence, and state what appears from that to be the average cost per ton on the Missouri Pacific Railway system, for their station and yard service?

A. The average cost per ton, including company material, for station and yard service, for the year ending June 30, 1905, is shown by Exhibit 26 to be 17.92 cents.

Q. Does that Exhibit or Exhibit 27 show what is included in

station and yard service, in the method of keeping the accounts of the Railway Company?

A. Yes sir. Exhibit 27, which is sheet 7 of form 1941, shows that station service includes: Office force, platform foremen and clerks; platform labor; other labor; storage; station supplies; and telegraph and telephone expense.

And that yard service includes supervision, yard men, yard engine men and firemen, and oil and fuel for yard locomotives.

Q. In those items of expense which you have just enumerated under the head of "station and yard service" is or is not the entire operating expense of the terminals included?

A. Yes sir, the entire operating expense of the terminals is included, with the exception of the maintenance and repairs
6201 of the terminals, which would be charged to maintenance of way and structures.

Q. How would it be about maintenance of equipment, in the locomotives that are used in the terminals?

A. That would also be charged to maintenance of equipment, and not be included in the items station service and yard service.

Q. So with those two exceptions, maintenance of the yard and its tracks, and any structures which may be in the yard, which are accounted for in expenses under the head of "maintenance of way and structures": and the maintenance of the locomotives, which comes under the head of "maintenance of equipment," the entire terminal expense is included, is it?

A. Yes sir.

Q. Have you prepared a statement starting with that item of expense, which makes an estimate of the cost per ton of handling State freight and interstate freight?

A. Yes sir, I have prepared two exhibits: One showing the cost per ton of the interstate; and one showing the cost per ton of the State freight.

Mr. LADD: I will offer in evidence this statement as Defendant's Exhibit 28.

The paper marked Defendant's Exhibit 28 is in the words and figures following, to-wit:

6202 Q. Have you prepared an estimate of the cost of handling the State freight also?

A. Yes sir.

Mr. LADD: I will offer in evidence this paper as Defendant's Exhibit 29.

The paper marked Defendant's Exhibit 29 is in the words and figures following, to-wit:

6203 Mr. LADD:

Q. Referring now to your exhibit 28, purporting to be a statement showing the cost per ton for handling interstate freight: These are estimates of the cost of doing the State and interstate business of the Missouri Pacific Railway Company in Missouri, aren't they?

A. Yes sir, based upon the operations of the system.

Q. Take your first column, under the head of "single cost:" Now your 17.92 cents you take from the cost per ton for station and yard service from Form 1940, did you?

A. Yes sir.

Q. The figure under that for train service is 4 cents and a little over 3/10 of a cent. I wish you would tell the Court how you arrive at that estimate.

A. Exhibit 27 shows——

Q. That is Form 1941?

A. Yes sir, Form 1941, Exhibit 27, shows that the cost for train service for the Missouri Pacific System for the year ending June 30, 1906, amounted to 4.1 cents per 100 ton miles.

Now the average haul of interstate freight in the State of Missouri, as shown by Exhibit 19, was 105 miles.

Q. What is Exhibit 19?

A. Exhibit 19 is a statement of the freight handled on the Missouri Pacific Railway in Missouri during the month of October 1905.

Mr. HAGERMAN:

Q. That is, that 105 miles average haul is the one you have shown on Exhibit 19?

6204 A. Yes sir.

Q. And how do you get the 105, the number of tons one mile entered into that same way: You divided that by something else to get your 105?

A. The average haul of 105 miles for interstate freight, is shown in column 9 of Exhibit 19. That is arrived at by dividing the total ton miles shown by column 6, by the number of tons shown in column 1.

Mr. LADD:

Q. Exhibit 19 you have been referring to is one which has already been offered in evidence by the Defendant?

A. Yes sir.

Q. Proceed with that explanation of the second item of cost.

A. Exhibit 19 shows that the interstate freight moved on the average 105 miles. If it costs 4.1 cents to haul a ton 100 miles, it would cost 4.305 cents to haul one ton 105 miles.

Q. Proceed with the next item as to the engine service, and tell how that was arrived at.

A. Form 1941, Exhibit 27, shows that the cost of engine service per 100 tons one mile, during the year ending June 30, 1906, amounted to 9 cents. If it costs 9 cents for engine service for each ton hauled 100 miles, it would cost 9.45 cents to haul a ton 105 miles.

Q. Now proceed down the list and state as briefly as you can how you arrived at your figures.

6205 What do you mean by "C. T. expenses?

A. The next item shown on Exhibit 28 "Other C. T."

means other expenses of conducting transportation operating expenses, not included in station service, yard service and engine service.

It is shown by Exhibit 27, which is Form 1941, to amount to 4.24 cents for each ton 100 miles.

If it costs 4.24 cents for one ton 100 miles, it would cost 4.452 cents for one ton 105 miles.

Mr. HAGERMAN:

Q. Wherever you use the initials C. T. it means conducting transportation?

A. Yes sir, on this exhibit.

The next item on Exhibit 28 is "expense of traffic service" which is shown by Form 1941 to be 1.32 cents for each ton moved 100 miles. This reduced to 105 miles, the average haul of interstate freight in Missouri, as shown by Exhibit 19, would make the charge for conducting transportation traffic expenses 1.386 cents.

That would make the total conducting transportation expenses, as shown by Exhibit 28, 37.513 cents for each ton of interstate freight handled by the Missouri Pacific Railwat in the State of Missouri, based on the average of 105 miles, which Exhibit 19 shows was the average haul of interstate freight.

Q. Proceed. What does "M. W. S." mean?

A. Maintenance of way and structures, are shown by Exhibit 28, to amount to 7.11 cents for each ton 100 miles.

6206 Mr. HAGERMAN:

Q. This Form 1941 has three things: Train mile in cents, car miles in cents, and 100 ton miles in cents: And your computation is made on the basis of the 100 ton miles in cents?

A. Yes sir.

Q. Did you make any computation on the basis of train or car miles?

A. No sir, we had not any statistics in regard to that. We could not divide tonnage between train mileage and car mileage, as between interstate and State. But we can divide the ton mile, because we know how many miles the State and interstate freight moved.

Mr. LADD:

Q. Proceed with your explanation.

A. This Form 1941 shows maintenance of way and structures expenses during the year ending June 30, 1906, to have been 7.11 cents for each ton 100 miles.

If the maintenance of way and structure expenses were 7.11 cents for one ton 100 miles, they would be 7.465 cents for one ton 105 miles.

The next item "M. E. expenses" means maintenance of equipment expenses, and these expenses are shown by Form 1941 to have amounted to 9.84 cents per ton per 100 miles during the year ending June 30, 1906. And if it costs 9.84 cents to haul one ton 100 miles, it would cost 10.332 cents to haul one ton 105 miles.

The next item on Exhibit 28 "general expenses" is shown by Exhibit 27, being Form 1941, to have cost the company
6207 during the year ending June 30, 1905, 2.51 cents for each ton 100 miles. If it costs 2.51 cents for one ton 100 miles, then it would cost 2.636 cents for one ton 105 miles.

Adding all these figures together, that is the total for conducting transportation, maintenance of way and structures expense, maintenance of equipment expense, and general expenses, gives us a total cost per ton of 57.946 cents.

Mr. HAGERMAN:

Q. What does that mean? The cost of moving one ton a mile?

A. It means the cost of moving one ton 105 miles, which is the average haul of interstate freight, as shown by Exhibit 19.

Q. That is, one ton 105 miles?

A. Yes sir.

Q. Your next statement there on this exhibit is the average amount received per ton for each ton of interstate freight as shown by Exhibit 19: How much is that?

A. 82.2 cents per ton.

Q. That is the Exhibit showing the operations of the Company for the month of October, 1905, Exhibit 19, is it?

A. Yes sir.

Q. Upon that basis what is the ratio of cost to earnings on the inter-state traffic in Missouri?

A. 70.49 per cent.

The usual hour having arrived, recess was here taken until two o'clock P. M.

6208 After recess on Wednesday February 6, 1907, the following proceedings were had:

Direct examination of C. S. LUDLAM, continued as follows:

By Mr. S. L. LADD:

Q. Take, if you please, Exhibit 29, Mr. Ludlam: Now this is an estimate of the cost per ton for handling State freight in Missouri, with a basis to begin with of the cost for stations and yard service, as shown in form 1940, being the same basis for the computation in the beginning of Exhibit 28. That is right, isn't it?

A. Yes sir.

Q. In the first column you allow 17.92 cents for station and yard service: That is on the basis of its costing the same for that service that the average ton costs on the whole system: That is right, isn't it?

A. Yes sir, it is based upon the same cost per ton, irrespective of the fact that the State freight is hauled a shorter distance than the inter-state, and, therefore, would have less use of the terminals than the interstate freight.

Q. I notice on that first line some abbreviations in parentheses: What did they mean?

A. "Including Company material."

Q. In this first column you assume that the average cost per ton for station and yard service, on the State freight handled in Missouri, is 17.92 cents?

A. Yes sir.

Q. That is the same amount as shown by Form 1940, that
6209 the average cost per ton for that service on the entire Missouri system, which includes not only what we understand as the Missouri Pacific Railway, but the Iron Mountain Railroad and the Central Branch?

A. Yes sir.

Q. I will get you to say, before we go any further, whether you think 17.92 cents, in your opinion, is the cost for station and yard service on State freight in Missouri—is that, or less, or more than that?

A. I don't think that the station and yard service per ton on State freight in Missouri would amount to anything like as much as the average per ton for the entire system; for the reason, that the average ton of State freight in Missouri moves only 52 miles, which on the average would give it only an originating and terminating terminal; whereas, all the freight on the system moves an average of 222 miles, which would give it an originating and terminating terminal, and probably two intermediate terminals.

So that the system expense for terminals would be a good deal higher than the State expense for terminals.

Q. There are two terminals in the case of State freight?

A. On the average, where the freight moves 52 miles, there would be only the two terminals, the originating and the terminating terminal.

Q. You say that the average haul of freight on the Missouri Pacific system is 222 miles: Where -id you get that information?

A. I got that from the Annual Report of the Company
6210 on page 48. It shows that all the freight handled by the system, including revenue freight and company freight, moves on the average 222 miles.

The revenue freight moved 237 miles, and as this State freight, as shown by Exhibit 19, is State revenue freight only*m* it would be probably fairer to compare the 52 mile haul of State freight with the 237 mile haul of all freight on the system. Therefore, there would be the two terminal expenses on the State freight as against the 237 mile haul on the system.

Q. You say there are two terminals on the State haul of 52 miles?

A. Yes sir, on the average.

Q. You mean to say there are, in your opinion, more than two terminals on the haul of 222 miles or 237 miles?

A. Yes sir.

Q. How do you make that out?

A. Because the average freight division is about 100 miles, and there is no*t* freight that passes over a divisional point without there being some terminal expense incurred.

Q. Does that assume that all this freight on the system, whose

average terminal expense is 17.92 cents, has its place of origin and place of destination on the system?

A. The freight itself may not have originated or terminated on the system.

Q. Suppose it did not either originate or terminate on the system, then that terminal expense at the point of origin or at the point of destination would not be a terminal expense, would it?

6211 A. Each ton of freight handled by the Missouri Pacific Railroad Company must have a point of origin on the system and a point of termination on the system, whether that is the point of origin or the point of destination of the freight or not. And that terminal expense, where the freight originates on the system, would be almost the same whether the freight itself originated there or originated beyond that point.

Q. You take the case of some freight coming, say, from Cincinnati, east of the river, where the Missouri Pacific Railway does not reach, for a point on the system west of St. Louis: Now the point of origin of that freight is not on the system?

A. No sir.

Q. The terminal expense at that point of origin, say, Cincinnati, is not incurred by the system?

A. The Cincinnati terminal, of course, is not incurred by the system. But the point I make is that the terminal expense of the system, where it received that freight at St. Louis, is as great to the system as it would be if the freight originated at St. Louis, or almost as great. There might be a very slight difference.

I would explain it by saying the setting out of an empty car for loading. But if the car was loaded it would not cost the Missouri Pacific any more to haul it from one of its industrial tracks in the City of St. Louis than it would to haul it from the connecting tracks of the line from which it received the freight. And, probably, that expense would not be as great to the Company in the case of

6212 the freight originating at St. Louis as in the case of the freight originating east. For the reason, that those cars from the east would be delivered to the company in lots of 10, 20 or 30, and they would have to be switched, those 10, 20 or 30 cars, all around to different parts of their yards, to distribute them to their different trains. Whereas, if they took one car off an industrial track they could put it right into the train on which they wanted it to go out.

Q. The substance of it is this: That in your opinion the expense at St. Louis to the Missouri Pacific Railway, connected with a carload of freight delivered to it by a connecting line east of the river, is as great or nearly as great as the expense to the Missouri Pacific Railway Company at St. Louis, in the case of a carload of freight loaded at St. Louis?

A. Yes sir, that is exactly what I mean.

Q. Now take less than carload freight: How would the expense of handling less than carload freight at St. Louis, received from a connecting line at St. Louis, compare with the expense of handling less than carload freight whose origin was St. Louis?

A. I think the expense to the company in handling the less than carload freight which was received from connecting lines would be greater than the expense of less than carload freight that originated at St. Louis.

Q. Why?

A. Because there would be an additional handling, as a
6213 general proposition. The less than carload freight delivered by connecting lines would have to be unloaded from the car in which it was received, and then reloaded into the Missouri Pacific car on which it was forwarded out of St. Louis.

Whereas, in the case of freight that originated at St. Louis, there would be merely the loading into the car on which it was forwarded out of St. Louis.

Q. There is an additional unloading?

A. Yes sir, on a large part of it.

Q. I don't think you explained yet: You said a while ago there were two terminals in the case of purely State freight, and you thought in the haul of 222 miles or the haul of 237 miles, as the case might be, there would be more than two terminals: Now you explained that by saying that there would be a division point on the course of that haul, where there would have to be some attention paid to the freight?

A. Yes sir, one or two division points.

Q. Do you mean to say that at each of these division points it would be equivalent to a full terminal expense at the point of origin or at the point of destination?

A. No sir. The intermediate terminal expense would be much less than the terminal expense at the point of origin or at the point of destination.

Q. But you think on the long haul of 222 miles or 237 miles, whether it be State or interstate freight, there is more than the equivalent of two terminals?

A. Yes sir.

Q. While on a haul of 52 miles, usually there would be
6214 only two terminals: Is that right?

A. Yes sir.

Q. At the point of origin and at the point of destination?

A. Yes sir, that is right, exactly.

I might illustrate by saying that on a carload of freight originating at Jefferson City and going to Sedalia, on the Missouri Pacific Railway, there would be only the originating and terminating terminal. But on a carload of freight originating at St. Louis, Missouri, on the Missouri Pacific Railway and going to Pueblo on the Missouri Pacific, there would be a great many intermediate terminals, the distance being 900 miles there would be probably six or seven intermediate terminals.

In the case of that car the intermediate terminal expense would probably be as great as the terminal expense at the point of origin and destination.

Q. That causes the expense, if there is any, at what you call the

intermediate terminals? You do not mean to say the freight is unloaded from one car and loaded into another?

A. Oh no.

Q. What is it?

A. The expense is the use of the terminals which is made by the through business. At each of those terminals that car would receive some attention. Some of the time of the yard men would be given to inspecting that car. The car would be switched from one
6215 train to another. There is always a constant shifting of cars on all trains they pull into terminals.

Q. The train on which that car started out might be partially broken up, the cars separated, going to different point-?

A. It probably would be.

Q. And that would be at one of these intermediate terminals?

A. At almost every one of those intermediate terminals the trains are partly, at least, broken up. Very few trains go right straight through. Most of the trains are more or less broken up at the intermediate terminals.

Q. The amount is 17.92 cents per ton?

A. Yes sir.

Q. Not per ton mile?

A. No sir.

Q. That 17.92 cents per ton is the cost, irrespective of the length of the haul?

A. Yes sir.

Q. If 17.92 cents is the cost per ton, not per ton mile?

A. That is the cost per ton.

Q. That is the cost which you have fixed here, irrespective of the length of the haul?

A. Yes sir.

Q. Look at Exhibit 29; and state if in your first column that assumes to be the cost per ton. What does that mean? Upon a haul of 52 miles, the average haul of the State freight, as compared
6216 with a haul of 105 miles, the average haul of the interstate freight?

A. It means that if it is reduced to a per ton per mile basis, we have charged the State freight twice as much per ton per mile as we have the interstate, for terminal expense.

Q. That is, is it, because the haul is twice as long in the case of the interstate freight as it is in the case of the State freight, and you have charged the State freight the same cost per ton: Is that right?

A. Yes sir.

Q. So, it amounts, in a comparison with the cost of the interstate freight 17.92 cents, it means twice 17.92 relatively?

A. Relatively per ton per mile.

Q. Take the first column of figures in Exhibit 29, "Train service": The figure 2.132 cents, how do you reach that?

A. The cost of train service is shown by Exhibit 27, which is Form 1941, to be 4.1 cents per ton per 100 miles. If it costs 4.1 cents for one ton 100 miles, it would cost 2.132 cents for one ton 52 miles,

52 miles being the average haul of State freight in the State of Missouri, as shown by Exhibit 19.

Q. That is to say, the cost of hauling a ton of State freight is two cents and a fraction as against four cents and a fraction for interstate freight, because the haul of the State freight is 52 miles
6217 whereas the haul of the interstate freight is 105 miles: Is that it?

A. Yes sir.

Q. Take engine service 4.68 cents: Do you reach that in the same way?

A. Yes sir, using as our basis of cost the figures 9 cents as the cost of engine service per 100 ton miles.

Q. "Other conducting transportation expense": Is that reached in the same way?

A. Yes sir.

Q. And "conducting transportation traffic expense": 6.86 mills: Is that reached in the same way?

A. Yes sir.

Q. What is the total for conducting transportation?

A. 27.623 cents per ton.

Q. Your next item is "maintenance of way and structures": Is your 3.7 cents reached in the same way?

A. Yes sir.

Q. And your item of maintenance of equipment 5.117: Is that reached in the same way?

A. Yes sir.

6218 Q. And the item of "General Expenses" 1.3 cents, in the same way?

A. Yes sir.

Q. What is the total expense per ton, on that basis?

A. 37.745 cents.

Q. What is the average amount received per ton for each ton of State freight, as shown by your examination of the business of the company for October, 1905, as represented in your Exhibit 19?

A. 86.63 cents.

Q. According to that, what is the percentage of cost to revenue on the state freight?

A. 43.57 per cent.

Q. Take your second column on Exhibit 29, what are the assumptions there as to the difference of cost in any of the items of expense?

A. The figures in the second column are prepared upon the assumption that the train service costs twice as much per ton per mile as the average cost per ton per mile of all the train service of the Missouri Pacific system, as shown by Form 1941. And that the engine service costs twice as much per ton per mile as the engine service of the system costs, as shown by Form 1941.

Q. Is that for the system or interstate in Missouri?

A. On the interstate in Missouri?

Q. Which is right? I see it is headed that way.

A. Missouri is correct.

Q. Interstate in Missouri?
A. Yes sir, interstate in Missouri.

6219 Mr. HAGERMAN:

Q. Let me see if I understand what is meant by that: this second column of Exhibit 29 is compiled upon the theory that so far as engine service is concerned it costs twice as much as is shown on this Form 1941?
A. Based upon Missouri mileage.
Q. But you have headed it "Twice as great on State as on Interstate per ton per mile"?
A. In Missouri.
Q. How do you do the example, is what I would like to see: do you start with your original figure, the cost as shown by Form 1941?
A. Yes sir.
Q. And then you multiply that by two?
A. I applied that to the state of Missouri, and then we had the proportion of the total tonnage, which is State freight in Missouri, and multiplied that by two.

Mr. LADD:

Q. Look back to your Exhibit 28; how did you reach in your first column the cost per ton of handling interstate freight in Missouri, 4 cents plus?
A. We took the cost for hauling one ton 100 miles, as shown by the Company's form 1941, and that being the cost for 100 miles we divided that by 100, and multiplied it by 105, the haul in Missouri being 105 miles.
Q. The average cost per ton for 100 tons one mile, that is one ton 100 miles—that is all the same thing, isn't it?
A. Yes.
Q. On the entire system, the average cost per ton for 100 tons one mile is 4.1 cents?
A. Yes sir.

6220 Q. But the haul on the interstate freight in Missouri being 105 miles instead of 100 miles, that 4.1 cents becomes what for the interstate freight in Missouri?
A. 4.305 cents.
Q. A little more than the average on the whole system?
A. Yes sir; it costs a little more to haul it 105 miles, than the average cost for 100 miles.
Q. Now take your second column, and the second figure in it, in your Exhibit 29: How do you reach your cost of train service on state freight, of three cents and a fraction, instead of four cents and a fraction on interstate freight?
A. Out of each 100 ton miles freight was moved in Missouri, fourteen miles represented State freight, and 86 miles represented interstate freight. We doubled the mileage representing the state mileage in Missouri, and got our unit on that basis.

Mr. HAGERMAN:

Q. Where did you get your 86.14?
A. On Exhibit 19.

Mr. LADD:

Q. I wish you would take the figures and work it out. How do you reach that 3.734 cents?

The MASTER: How did he reach the 17.92?

Mr. LADD: That is the average cost for station and yard service. That remains the same.

The MASTER: It is in a column that purports to be multiplied by two.

Mr. LADD:

Q. Explain how you reach that 3.734 cents?

A. The cost for train service on the system being 4.1 cents for 100 ton miles, and the division between the total ton miles in
6221 the State of Missouri being 14 ton miles of state freight to 86 ton miles of interstate freight, as shown by Exhibit 19, we put down the ton miles of the interstate freight, which is 86; then take the State ton miles, 14; and for the purpose of finding out what that would cost, if it costs twice as much, we multiply the 14 by 2, which gives 28. Add that 28 to the 86, which gives us 114 miles. We divide that 114 into the cost, 4.1 cents, to get our common unit, which gives us a result of 3.59, which is the per ton per mile of the interstate, or the common unit. We apply that common unit to the interstate.

The state freight, costing twice as much per ton per mile, we multiply that 3.59 by 2, which gives us 7.18, as the cost of the state freight, as compared with 3.59, the cost of the interstate freight.

We take the 7.18, in the case of the State freight, and multiply it by 52, that being the average haul of the state freight in the State of Missouri, as shown by Exhibit 19. 7.18 multiplied by 52 gives us 3.734 cents, which would be the cost of the train service for the state freight, if it costs twice as much per ton per mile as the interstate.

To determine the cost of hauling a ton of interstate freight 105 miles, we go back to the common unit of 3.59 previously established, and multiply that by 105 miles, that being the average haul of the interstate freight in the State of Missouri, as shown by Exhibit 19. That gives us 359 times 105, which equals 3.769 cents, which is the cost of the engine service for hauling a ton of freight 105 miles, assuming that the state freight costs twice as much as the interstate.

6222 Q. That 3.769 cents appears on Exhibit 28 in the second column, does it?

A. Yes sir.

Q. As the cost of the train service on interstate freight in Missouri per ton? Is that right?

A. After doubling——

Q. Upon the theory that the train service on the State freight costs twice as much per ton as it does on the interstate freight?

A. Per ton per mile; yes sir.

Q. So the result of that, assuming the cost of the train service per ton per mile on the state freight is twice as much as it is on the interstate freight, it would leave the cost of interstate freight 3.769 cents

per 105 ton miles, and the state freight 3.734 cents, as shown on Exhibit 29; is that right?

A. Yes sir, it would leave the cost of the train service for hauling interstate freight 105 miles 3.769 cents as compared with the cost of train service for hauling a ton of state freight 52 miles, 3.734 cents.

Q. These figures are the cost per ton, and not per ton mile; is that right?

A. Yes sir.

Mr. HAGERMAN:

Q. Comparing the two, although it costs twice as much to do the state as the interstate traffic, the cost is 3.769 cents in the case of the interstate, as against 3.734 cents in the State traffic?

A. Yes sir; because the haul of the interstate traffic is more than twice as long as the haul of the state traffic.

6223 Q. And yet the result is, you brought it down to the basis of the ton mile, the actual cost of handling a ton?

A. Yes sir.

Q. So as to correspond with an- offset Column 5 of your Exhibit 19, where you receive 82.2 cents per ton for interstate and 86.63 cents for state freight?

A. Yes sir.

Mr. LADD:

Q. Although this Column 2 in Exhibit 29 purports to be made on the assumption that the train service costs twice as much on state as on interstate freight, per ton per mile, the fact that the figures in that column 3.734 cents, are not twice the corresponding figures in Exhibit 28, referring to interstate freight 3.769 cents, is because the mileage of the state freight is only 52 miles while the interstate freight is 105 miles; is that it?

A. Yes sir.

Q. It is really twice as much when you come to consider the difference in mileage, is it?

A. It is exactly twice as much per ton per mile.

Q. What is included in Train Service, according to this Form 1941?

A. Exhibit 27, being Form 1941, shows that train service includes, train-men—regular time; train-men—over and constructive time; oiling cars and other supplies.

Q. Now, while you are at it, will you state what Engine Service, according to that form 1941, includes?

A. Engine service includes: engineers and firemen—regular time; engineers and firemen—over and constructive time; engineers and firemen—helping service; fuel for locomotives (includes cost 6224 of handling); water supply for locomotives; stores for locomotives (lubrication, etc.); other supplies for locomotives (sand, tools, inspection); and engine-house-men.

Q. In this second column of Exhibit 29, upon the assumption that the engine service costs twice as much per ton per mile on state as on interstate traffic, you fix the cost per ton at 8.206 cents; is that

result reached in the same way as with the figures concerning train service?

A. Yes sir.

Q. The same method was pursued?

A. Yes sir.

Q. I think all the other figures except the totals and percentages in that second column, are exactly as they are in the first column; is that right?

A. Yes sir, all except train service and engine service.

Q. Does that allow any extra cost to be charged to the state traffic on account of maintenance of way and structure, maintenance of equipment, general expenses, and certain items included under "Other conducting transportation expenses"?

A. No sir, it does not.

Q. In your third column is a showing upon the basis that the train and engine service for the state traffic costs three times as much per ton mile as on interstate, and the figures 4.992 and 10.967 cents, are reached by the same method you have described in relation to the train service, are they? That is, using three instead of two as the multiple?

A. Yes sir, multiplying the proportion of ton miles represented by the state business by three.

6225 Q. Suppose the cost were as shown in your second column what would be the ratio of expense to earnings?

A. On state business, 49.49 per cent.

Q. And in your third column, assuming the train and engine service cost three times as much per ton per mile, what would be the ratio of expense to earnings, in that case?

A. 54.13 per cent.

May I go back to that matter of multiplication for a moment?

Q. Yes.

A. I want to say that if you took the total charge to train service per ton under this column where it is shown as twice, and divided it by 52, which is the average haul, that would give you the cost per ton per mile. Then, if you took the corresponding figure on the interstate, 3.769, and divided it by 105, that would give you the average cost per ton per mile used here on the interstate.

And that deduction would show that the cost per ton per mile was twice as much in the case of state as in the case of interstate traffic. That would be a simple method of proving that this cost is double per ton per mile.

And the same remarks would apply to Column 3, if you use the multiple three instead of the multiple two.

Mr. HAGERMAN:

Q. Would it apply to each place where you have made a difference in the increased cost?

A. Yes sir.

I might explain that whole thing by a very simple illustration.

Mr. LADD:

Q. First let me ask you if this method of arriving at the
6226 results you were explaining to Mr. Hagerman a few minutes ago (which was not put into the record)—when you reached this second column of Exhibit 29, is the same method pursued by Mr. Sturgis in reaching his ratio of three to one?

A. The same method, and, of course, the only proper basis upon which it could be determined.

As an illustration, I will say that if you assume that three ton miles costs ten cents, that would be an average of three and one-third cents for each ton mile. Then if you assume that of those three ton miles one ton is state ton miles and two tons are interstate ton miles, if you wanted to find out what the cost of the state as compared with the interstate was, assuming the state was double, you would take the one ton mile of state freight and multiply it by two, which would give you two ton miles. Then take two tons of interstate and add that, and your total would be four tons; two tons of state and two tons of interstate freight. Although there was really but one ton of state freight, multiplying it by two gives two tons of state. Those two together give you four tons. Dividing that four into your cost, ten cents, which remains the same, gives you a cost of two and one-half cents per ton mile, as compared with three and one-third cents, which you had when you divided the ten by three.

Having determined that unit of two and a half cents, that represents the cost of the interstate ton miles. But the state freight, being double, would be five cent- per ton mile.

So in that case you would have two tons of interstate freight, costing two and a half cents each, which would be five cents; and one
6227 ton of state freight, costing five cents; which added to the other cost would give you a total of ten cents, which is what the three tons cost.

If you assume that the state freight costs three times as much as the interstate freight, then you would take that one ton mile of state freight and multiply it by three, which would give you three; add to that three the two ton miles of interstate, which would give you five. That five ton miles divided into your cost of ten cents would give you the unit of two cents a ton mile. You would apply that unit of two cents to your two tons of interstate freight, which would give you four cents; and you would apply three times that unit of two cents, or six cents, to your one ton of state freight. The six cents and the four cents added together would give you again your cost of ten cents for the three miles.

On the basis of their all costing the same in that example, the rate would be three and one-third cents per ton mile for state and interstate.

On the assumption of state freight costing twice as much as the interstate, the cost for the interstate would be two and one half cents per ton mile; and the cost of the state freight five cents per ton mile.

On the basis of the state freight costing three times as much, the cost of the interstate would be two cents a ton mile, and the cost of

the state freight six cents a ton mile. Although in all cases your total three miles would remain at a cost of ten cents. You do not change the total cost, which remains fixed at ten cents, but you change the distribution of that between state and interstate freight, by
6228 doubling your state mileage when you assume the state costs twice, or by tripling your state mileage when you assume the state costs three times. But your total cost being fixed, you do not change that, and it remains the same.

Mr. HAGERMAN:

Q. Let me see how far apart you and Mr. Sturgis are.

Your total expenses cannot vary. Your total is one hundred per cent?

A. Your total is one hundred per cent.

Q. If it is divided upon the percentage of revenue; and, say, it was 80 per cent for interstate and twenty per cent for state, if that is the right way to divide it, on the basis of revenue, Mr. Sturgis does the example right?

A. Yes sir.

Q. Three times twenty make sixty?

A. Yes sir.

Q. And that added to the 80 make 140?

A. Yes sir.

Q. So, providing you divide it in accordance with revenue, he is right?

A. His mathematical calculation, if he wants to assume that the state freight costs three times as much as interstate freight, in proportion to revenue; the cost of the operating expenses divided exactly on the basis of revenue would make twenty; then he would multiply that by three, after the same method.

Q. If I understand you aright (Look at your Exhibit 19) if you were going to divide the total expenses in accordance with the percentage of your revenue, 74.27 would represent the inter-
6229 state, and you are going to assume that the cost of the state business is twice as much, it would be twice 25.73:

A. Yes sir.

Q. And then a proportionate part of that sum?

A. Yes sir.

Q. So if you divide it in accordance with the percentage of tonnage, you would take your figures and work it out the same way, if that was the proper way?

A. Yes sir.

Q. Or, if the proper way was to divide it according to division 8, per ton per mile, would you work it out upon the same system?

A. Yes sir, I would take my two figures, whether ton miles, revenue, expenses, pears and peaches, men and women, and which ever I wanted to multiply by two, three, four or five, make a new total, and get my percentages of that total.

Q. What I want to get at is, is that the difference between you? If some one told you what the basis was, whether revenue or some other basis, you would figure it out just as Mr. Sturgis did—in other

words, if you were told that the correct basis was the revenue basis, you would figure it out just as Mr. Sturgis did?

A. Yes sir.

Mr. LADD:

Q. In connection with these two exhibits, Nos. 28 and 29, on the fourth line of both of these sheets appears this language: "Other C. T. expenses:" You do not allow any additional cost in connection with the state traffic on account of those "Other C. T. expenses"?

6230 The expense on account of "Other C. T. expenses" remains the same in all three columns? For instance, in Exhibit 29 it is 2.205 cents, precisely the same in all three columns.

A. Yes sir.

Q. Therefore, you do not allow any extra expense on account of those "other C. T. expenses" do you?

A. No sir.

Q. What are they, those "other C. T. expenses"?

A. Other conducting transportation expenses include the operation of stockyards, elevators, signal men, highway crossing watchment, policement, signal supplies, highway crossing supplies, clearing wrecks, injuries to persons, loss and damage, switching service, car service, hire of equipment, rent of buildings and other property, superintendence of transportation, floating equipment,—operation of, elevation and longshore labor, dining cars, stationery and printing,—transportation, incidentals; operation of joint tracks, yards and terminals; flood damages.

Q. Those items you have enumerated were pointed out to you by Mr. Johnson?

A. Yes sir.

Q. You and he agree about that?

A. Yes sir.

Q. In your opinion, is there any extra expense to be charged to the State traffic, over and above its normal proportion, on account of those expenditures?

A. No sir, I do not think so.

Q. And for that reason, you have not allowed anything extra on account of that?

A. No sir.

6231 Q. In the next line is "C. T." (which I understand means conducting transportation) traffic expenses: You do not allow any extra expense to the state traffic on that account: will you tell what is included in that item?

A. The conducting transportation traffic expenses, freight, which are included in this—only freight expenses being included—comprises superintendence, foreign agencies, advertising, stationery and printing.

Q. You do not allow any increase on account of those?

A. No sir.

Q. You think the state traffic ought not be charged with any extra expense on account of that?

A. I do. As a matter of fact, I do not think they should be

charged with the same proportion as the interstate, because I think the matter of advertising and foreign agencies would apply in much larger proportion to the interstate business than to the state business.

Q. The figures shown on these two sheets, Form 1940 and Form 1941, are figures for the system, which includes also the Iron Mountain Railway and the Central Branch in Kansas?

A. Yes sir.

Q. I will ask you whether you think the average of expenses, as shown there, would be higher or lower in Missouri than those averages on the entire system?

A. In my judgment, the average expense per 100 ton miles would be much higher on the system as a whole including all of the Missouri Pacific, the Iron Mountain and the Central Branch,
6232 than they would be in the state of Missouri, for the reason that the density of traffic is much greater on the Missouri Pacific within the state of Missouri than it is on the Missouri Pacific system as a whole.

That is very clearly illustrated by the fact that the total freight earnings of the Missouri Pacific Railway and branch lines from freight during the year ending December 31, 1905, were $14,252,615.73, of which the freight earnings in Missouri were $5,410,246.59. That is, the state of Missouri furnished 37.96 per cent of the freight earnings of the Missouri Pacific Railway, although only 25 per cent of the mileage of the Missouri Pacific Railway lies within the state of Missouri.

Mr. HAGERMAN:

Q. Where did you get those figures. From any exhibit that has been offered?

A. I do not think those figures have been offered.

Mr. LADD:

Q. Where did you get them?

A. It is a statement prepared by Mr. Schuyler—or given to us by Mr. Schuyler, showing the earnings of the Missouri Pacific as a whole, for us to check and verify other figures.

Mr. HAGERMAN:

Q. What does the $14,000,000 include?

A. Only the Missouri Pacific.

Q. It is just freight earnings?

A. Yes sir.

Mr. LADD:

Q. What was the total mileage of the Missouri Pacific Railway which made those earnings of $14,000,000?

A. The mileage operated by the Missouri Pacific Railway Company is shown by the Annual Report of June 30, 1906, to have been 3,492.54.

6233 Q. And what is the mileage in Missouri?

A. 972 miles.

Mr. HAGERMAN:

Q. Those 14,000,000 and the 5,000,000 freight earnings you refer to the Missouri Pacific as distinguished from the System?

A. Yes sir.

Q. This Form 1940 and 1941 apply to the System, as distinguished from the Missouri Pacific proper. That is, that included the Iron Mountain and Central branch as well as the Missouri Pacific?

A. Yes sir.

The earnings figures that I gave were for the Railway only. We have not the earnings for the System for the calendar year 1905. But the freight earnings for the year ending June 30, 1906, are shown in the Annal Report of the President to have been $32,563,506.77.

Mr. LADD:

Q. That includes the Iron Mountain and the Central Branch?

A. Yes sir.

Q. Have you the earnings of the Missouri part of the System for that same period, the year ending June 30, 1906?

A. No sir.

Q. Referring again to Exhibit 28 and 29, the next item is "maintenance of way and structures:" I see you do not allow any additional charge to the State traffic on that account?

A. No sir.

Q. Why didn't you?

6234 A. In my opinion maintenance of way and structures would be the same per ton per mile in the case of State freight as in the case of interstate freight.

Mr. HAGERMAN:

Q. Are there any particular items that go in to make up that maintenance of way and structures? Have you anything that tabulates that so we will know what is included in it, in your mind?

A. It is right here in your Annual Report. The items of operating expenses included under the heading "maintenance of way and structures," are, track maintenance——

Mr. LADD:

Q. You do not charge to the State traffic any more in proportion, on account of track maintenance, than you do the interstate traffic?

A. No sir.

Q. Do you know of any reason why it should be charged any more?

A. No sir, I cannot conceive that a ton of freight moving over the tracks would wear the track any more because that ton happened to originate in Missouri, than it would if it originated in Ohio, Canada, Texas or some other point.

Q. Go on.

A. The next item is "applying track material."

Q. What does that mean—laying it down and putting it in place?

A. I imagine so. I should judge that was respiking the tracks and putting in new ties.

Mr. HAGERMAN:

Q. I suppose it is putting it in place?

6235 A. I can tell you exactly. (Witness examines Form 1941.) "Applying Track Material.".

This account includes:

(*a*) Rails.—Pay of employés engaged in handling (after first unloading) cutting, slotting, drilling and laying rails, adzing for new rails, gathering old rails and taking up expansion.

(*b*) Ties.—Pay of employés engaged in handling (after first unloading) and renewing cross, switch and bridge ties; applying, inspecting and marking ties in tracks for renewal.

(*c*) Ballast.—Pay of employés engaged in applying ballast after it has been prepared and unloaded, and removing dirt from stone ballast in tracks preparatory to re-ballasting.

(*d*) Other Material.—Pay of employés engaged in handling (after first unloading) and applying rail braces, anti-creepers, switches, switch stands, frogs, crossing frogs, tie plates and other miscellaneous track material not mentioned above.

Mr. HAGERMAN: Wouldn't it be better to let him answer my question first, give a tabulation of the items that go into "maintenance of way and structures," so we will have it all in one place?

Q. Start again and tell us every item that is included in "maintenance of way and structures."

A. The operating expenses included under the heading of "maintenance of way and structures" are: Track maintenance; ap-

6236 plying track material; roadway policing; flood damages; general cleaning; ballasting; track appliances; roadway tools; other roadway maintenance; interlocking plants and signals; engineering and superintendence. Electric traction lines (of which I understand the Missouri Pacific has none): Rails. Ties. Bridges and Culverts. Fences, Road Crossings and Signs. Buildings and Grounds. Steam Plant—Repairs of. Electric Plant—Repairs of. Docks and Wharves. Telegraph and Telephone Lines. Stationery and Printing. Incidentals. Maintenance of Joint Tracks, Yards and Terminals.

Q. I observe on Page 47 of the printed report of the Company for the year ending June 30, 1906, in the statement of the operating expenses for that year, the total expenses of the System for the maintenance of way and structures was $5,378,125.37, and that track maintenance was $1,505,708.81, that item being between ¼ and ⅓ of the total expense of maintenance of way and structures: Now if in that book you have been reading from—it is a Missouri Pacific book, isn't it?

A. Yes sir.

Q. The item of what is called "track maintenance" involving an expenditure of 1½ million dollars is given, I wish you would give them.

A. "Track maintenance.

This account includes:

(*a*) Main Track Line and Surface.—Lining, surfacing, shimming and tightening bolts and spikes on main track.

6237 (*b*) Side Track Line and Surface.—Lining, surfacing, shimming and tightening bolts and spikes on side tracks.

(*c*) Gauging.—Gauging main track and side tracks.

(*d*) Re-spacing.—Re-spacing ties in main and side tracks."

Q. Is that all under the head of "Track Maintenance."

A. Yes sir, that is all.

Q. I think you have already explained that in your opinion the State traffic ought not be charged with anything more than its proportion of the expense for track maintenance. Now go down through these other items which you have read off, and which Mr. Hagerman requests, under the head of "maintenance of way and structures." Do you see anything, or can you point out anything in that list, whose maintenance would be any more expensive on account of the handling of the State traffic than the State traffic's normal proportion would indicate?

A. No sir, I do not see anything, that it would occur to me there would be any increased expense on account of the State business, or anything on which the State should stand more than its per ton mile proportion.

Q. Something has been said in one of these cases, and possibly in this case, about sidings at stations at intermediate points on the road; Are those sidings used exclusively for the State traffic?

A. No sir, they are used for State and interstate traffic.

Q. Referring again to Exhibit 29, on the next line "M. E."

6238 means "Maintenance of Equipment": You have not charged the State traffic, in this Exhibit 29, with any extra part of that outlay; Why is that? What is your opinion about it?

A. I do not think the State should be charged with any more than its per ton mile proportion of the maintenance of equipment expenses. I cannot imagine it would wear a car out any more to haul a ton of freight a mile if that ton of freight originated in Missouri, that if it originated in New York, Canada, Texas or some other point.

Q. According to the Company's system of sub-division, what is included under the head of "maintenance of equipment"?

A. Superintendence, repairs of locomotives, repairs of passenger cars——

Q. I suppose you might omit that?

A. Repairs of freight cars. Repairs of work cars. Repairs of floating equipment. Repairs of tools and machinery. Stationery and printing. Heating and lighting shops. Watchmen. Incidentals. Equipment used in Joint Yards and Terminals—Repairs of.

Q. Take the first item "Repairs of Locomotives": Is the same locomotive engaged at the same time in hauling State and interstate freight, in the same train?

A. Yes sir.

Q. Under the head of "Repairs to freight cars," are the same cars

used interchangeably, so far as they are suitable to the purpose, in handling State and interstate traffic?

A. Yes sir.

6239 Q. Is there anything, any expense in that list of expenses under the heading "Maintenance of Equipment," which in your judgment should be taxed against the State traffic in any larger proportion than a normal proportion based on the business, and the revenue or the volume of freight?

A. I cannot think of anything or any reason why the State business should be charged with more than its proportion on the per ton mile basis.

Q. And so you have excluded it from your computations?

A. Yes sir.

Q. And have not allowed any extra expense on any of those accounts?

A. No sir.

Q. You have allowed in the second column of Exhibit 29 double the expense for train and engine service on the State traffic per ton per mile?

A. Yes sir.

Q. Do you think that is right?

A. No sir, I do not. I think——

Q. Is it too much or too little, twice?

A. In my opinion it is a great deal too much.

Q. Your assumption is, then, more favorable to the Complainant than your own personal opinion justifies?

A. Yes sir.

Q. Do you think that the State traffic should be charged with any extra cost on account of the train and engine service?

A. Yes sir.

6240 Q. Why?

A. Because I think the ton miles of State freight handled on local trains is in excess of the proportion which the total ton miles of State freight bear to the total ton miles of both State and interstate freight together.

Q. Do you think the cost of handling local trains or way trains, is greater than the cost of handling through trains?

A. Yes sir, I think the cost of handling a ton of freight a mile on a local or way freight train, on the average is greater than the average cost of handling a ton of freight a mile on the through train.

Q. And because the proportion of State freight carried on the local or way trains is larger than the proportion in volume of State freight to all the freight, therefore the State freight should be charged with some additional expense incident to the operations of those local or way trains?

A. Yes sir, that is my idea.

Q. Do you think that State freight should be charged with all the additional extra expense attendant on the operation of the local or way train?

A. No sir.

Q. Why not?

A. Because in my opinion the local and way trains carry more interstate freight than they do State freight. I mean by that, that of the total ton miles of freight handled by the local or way trains, more than half is interstate freight and less than half is State freight. Although I think the proportion of the State freight
6241 which is handled on local trains is greater than the proportion of State freight to all freight, still the State freight is such a small proportion of the total freight, being only 14 per cent, that of the total business handled by the local trains, the larger part is interstate freight and the smaller part is State freight.

The MASTER:

Q. Do you think the whole additional cost which you are willing to admit, arises from the difference in cost in handling local or way trains, and through trains?

A. Yes sir. The cost of transporting a ton of freight a mile on a local train as compared with the same service on a through train.

Q. That is the reason you are willing to concede some additional cost?

A. Yes sir, and so——

Q. Now if it be that these local or way trains carry more interstate freight than State freight, why should not the interstate freight bear more than its half of the additional cost of these local trains?

A. If the local trains carry a larger per cent of ton miles of State freight, than the volume of the total business would warrant, then that excess should be larger against the State, on the basis of the excess. And when you apportion that excess to the State freight, on the same principle that we had this forenoon in the ton mileage, in the case of train and engine mileage, you equalize all the other expense.

That is to say, if your total expense for all of the freight
6242 is $100, and for the purposes of illustrations, 50 per cent of all the ton miles was State freight, and 50 per cent of all the ton miles was interstate freight; and the tonnage of the local trains and the tonnage of the through trains were each 50 per cent, then it would be proper to say that half of that total expense of $100 was State expense and ½ was interstate expense.

But if the proportion between the State and the interstate freight is 50 and 50, and the tonnage of the local trains instead of being 50 per cent State and 50 per cent interstate was 60 per cent State and 40 per cent interstate, then there would be 10 per cent of the State tonnage that should bear the increased proportion of that total expense of $100.

You would not increase your expense of $100. That would remain fixed. You have your expense fixed. But there would be 10 per cent of the total freight, which in the case I have cited would be State freight, which would cost more than the other 90 per cent.

If you have determined that cost, and we will assume for the sake of the argument that it costs twice as much to do business on the local trains as to do business on the through trains, per ton per mile,

then you would say that 10 per cent should be multiplied by 2, or should be made 20/170 of the total expenses; and 40 per cent of the State freight, and 50 per cent of the interstate freight, would be divided equally between the balance of the expenses; that
6243 is, in their percentage ratio.

Q. Leave out of account for the moment the consideration of the through trains, and consider only the local or way trains?

A. Yes sir.

Q. Is there a larger per cent of ton mileage State than of ton mileage interstate freight on those local trains?

A. No sir. There is a larger per cent of ton miles interstate freight on those local trains than there is State ton miles on those local trains.

Q. And yet you say in your system of figuring, notwithstanding that fact, the State freight ought to be allowed credit for some additional cost?

A. Ought to be charged some additional cost?

Q. Yes, charged.

A. Because although the local trains carry more interstate than State freight, they carry less interstate than the proportion of all the interstate freight to the total freight; and they carry more State freight than the proportion of all the State freight to the total freight.

Q. It seemed to me that as the additional cost, if there is any, arose from the operation of the local trains as compared with through trains, that additional expense ought to be charged to that class of freight which occasioned it; that would seem to me to be so.

A. Yes sir. This example I have given here, by using these percentages would result in actually that condition. That
6244 although the State freight tonnage would be charged more per ton it would not be charged with as large a percentage as the interstate, because the interstate tonnage would be so much greater.

I want to say, if I may, Your Honor, that in the expense we are talking about just now, I was referring my remarks to the train and engine service.

Q. You think the total expense is made up of those two items?

A. Those two are included in the total operating expenses.

Q. And no other items that go to make up the increase- cost of moving local trains?

A. That is my idea, exactly.

Mr. LADD:

Q. Assuming that the tons of interstate freight on local or way trains exceed that of the State freight, does it follow that the ton miles of interstate freight would be a larger percentage than the percentage of tons, on account of their longer haul?

A. Yes sir. If the volume of tonnage was the same and the interstate was hauled further, the interstate ton miles would exceed the State ton miles.

Q. Is the interstate freight hauled further?

A. Yes sir. We find that in the State of Missouri the interstate freight is hauled on an average more than twice as far as the State freight.

Mr. HAGERMAN:

Q. How about the actual tonnage moved, as distinguished from ton miles?

6245 A. The interstate tonnage, the number of tons, is fixed as 75.26.

Q. That is of all the business in the State?

A. Yes sir.

Q. Have you it for the way trains?

A. We have your exhibit which shows about 41 per cent of the tonnage on local trains is State, and some 59 and a fraction per cent is interstate.

Q. Which exhibit was that?

A. Exhibit 14, which was to be corrected and handed in but we have not yet received it. I do not know whether Mr. Roth has it here or not. Those figures I have given are after making a correction which Mr. Roth told me should be made in it.

Mr. LADD:

Q. One more item on this 28 and 29. It is the last one. "General expenses": You do not charge the State traffic with any more than its natural proportion of that expense: Now what in that schedule is included under the head of "General Expenses", according to the Missouri Pacific's system of accounting?

A. The operating expenses included under the heading of "General Expenses" are: General officers, clerks, attendants, heat and light, office expenses and supplies, incidentals, law expenses, stationery and printing, insurance.

Q. Is there anything there, in your judgment, Mr. Ludlam, of which a larger proportion than a natural proportion should

6246 be charged to the State traffic, and if there is, point it out.

A. No sir, there is no- anything there. If I made any distinction at all it would be to charge the interstate with more than the State, because I think that more time of the general officers, and clerks, is given to interstate business than to State business.

Mr. HAGERMAN:

Q. What would you do with the expenses of this lawsuit, for instance; that has nothing to do with interstate?

A. I should imagine that would be purely a State expense.

Q. With nothing to be charged to interstate?

A. I should think so, yes sir. That is an expense which you could segregate between State and interstate. Of course a majority of your general expenses you could not do so. You could not separate your officers' salaries and office expenses, etc.

Mr. LADD:

Q. Why do you say with respect to the salaries of the general

officers, that more should be charged to interstate in proportion? Why do you say that?

A. Well, I think, speaking in a general sense, that the State business is a business that largely takes care of itself. The rates seldom change. They remain stationary. The clerks in the offices that are engaged in checking way-bills, checking agents' accounts, are familiar with them. The revising of the way-bills is a very simple matter. The clerks are familiar with those rates. Whereas, on nearly every interstate shipment the rates change, or the proportions
6247 change, or the routing is different. The average revising clerk, in my judgment, would be able to check several bills carrying State shipments in the same time it would take him to check one bill in an interstate shipment. And the same would hold good throughout the entire business.

The officers spend time attending traffic associations and considering rates. Those are not State rates, which run along the same year in and year out. The State business is largely a non-competitive one, whereas the interstate is very largely competitive. And the more competition there is the more time and attention it takes of the officers and clerks.

Q. At all events, it is because you entertain these opinions that you have in this statement not embraced any additional expense on account of State traffic, so far as regards several items, large items, too, of expenditures included in operating expenses?

A. Yes sir.

Q. Mr. Ludlam, I will get you to state, from your experience, both your connection with railroads and railroad accounts, and your experience as an accountant and auditor of accounts, including your experience in the examination of the books and papers of the Wabash and the Missouri Pacific Railroad, for the purposes of this litigation. What unit, in your judgment, affords the closest approach to accuracy, as to either cost or revenue in the handling of freight?

6248 A. In my judgment the best unit known, and I think it is generally so recognized among railroad men, is the per ton per mile unit.

Q. Some of your exhibits here, at least some of them, are based upon the ton mile, both as to cost and earnings as the unit: Is that the reason you have taken that as the basis of a number of these computations, that you regard it as the best attainable basis to work on in ascertaining cost and revenue?

A. Yes sir.

Q. Do you know, from your experience and associations with railroad managers and railroad accountants, and your auditing of railroad accounts, the accounts of other railroads, whether that is a recognized and approved unit in railroad circles?

A. That is the generally recognized unit, yes sir.

Q. Some exhibits have been prepared and presented and offered in evidence here on the part of the State, which relates to the business of particular periods: Exhibit 19 is an illustration of them; which relates to the business of October. And then there have been certain days in certain months: I would like to ask you whether any

particular days or any particular periods have been selected by you or your assistants in the preparation of these exhibits, because you supposed they would make a more favorable showing for the State than any other periods or any other days?

A. No sir. Wherever a period or a day has been sepected, it has been selected because it was believed to be as typical or more
6249 typical than any other that could be selected.

Mr. HAGERMAN:

Q. Don't you think October is more favorable to you than any other month that could be selected?

A. October has a larger business but is not more favorable.

Q. Would that represent more or less than 1/12 of the business.

A. Yes sir.

Q. Would ten times that represent the year's business?

A. I should say ten to eleven times.

Q. I do not mean to indicate for a moment that you selected it purposely, but I know it is one of the big months of the year, and I want to get its proportion.

Mr. LADD:

Q. Do you regard October as a fairly representative month? I do not mean as regards the volume of the business, but is it fairly representative?

A. We so regarded it before we started the work, and we still so regard it.

Q. I do not mean to ask you by that whether every other month would have the same amount of business as October.

A. I think the result- obtained from an analysis of the month of October are typical of the year's business; and I do not think the analysis of any other month would vary materially from the results shown by October.

6250 Of course we have not introduced any other month and so cannot compare them, but in our judgment there would be no material variation in the figures shown by October from the showing of any other month in the year.

If there is any one month we would regard as typical it would be October, because we think there would be more business of all kinds moving in October than any other month.

Q. October is generally regarded as a good business month?

A. Yes sir, both from the standpoint of merchandise and of farm products.

Mr. HAGERMAN:

Q. It is a good grain and livestock period too, isn't it?

A. I should think it would be a large grain moving month, but not especially large as to live-stock. Of course that would vary in difference sections of the country.

Q. Two exhibits have been prepared and filed here in evidence by the Complainant, Exhibit- 7 and 8, showing the freight handled,

one in carload lots and the other in less than carload lots of 88 stations in the State of Missouri?

A. Yes sir.

Q. Do you know for what month and for what period that examination covered?

A. I understand that covered the month of October.

Q. The same month you selected?

A. Yes sir. It is not stated on the exhibit, but I think in the testimony as I recall it, it was said that covered the month of October, 1905.

6251 Mr. LADD:

Q. That is right, isn't it, Mr. Doddridge?

Mr. DODDRIDGE: Yes, I feel certain it was October. I think October was taken because you had October under consideration here generally.

Mr. HAGERMAN:

Q. You know they were looking at October and you took it for that reason?

Mr. DODDRIDGE: Yes sir, I think that was the reason.

The MASTER: I have October marked on my exhibit.

Mr. LADD: Now in this statement Exhibit 19 which is in, and which you prepared, showing the business of the Company during the month of October, 1905, you did not divide, for the reasons you have already stated, the interstate business into two classes?

A. No sir.

Q. If you had so divided it, what in your judgment would have been the revenue per ton mile on the through interstate freight as compared with the revenue derived from all the interstate carload as shown by that exhibit: Would it have been more or less?

A. In my judgment it would have been less.

Q. Could you make an estimate of how much less?

A. Yes sir. I do not think the revenue realized from the interstate through business would have exceeded 5 mills or ½ a cent per ton per mile. And my opinion is it would have been
6252 nearer 4½ mills per ton per mile than 5 mills per ton per mile.

Q. That statement shows the average revenue per ton per mile on all the interstate carload business to have been about 6 2/3 mills; is that right?

A. Yes, sir, that is right.

Q. And you think on the through interstate business, that which passes through the State, starting out of the State and ending out of the State, it would not have been over 5 mills: Is that right?

A. Yes sir, not over 5 mills.

Q. Why do you think so?

A. Because that business that begins out of the State and passes through the State and terminates outside the State is very largely competitive business. Whereas there is a large amount of the second class of interstate freight that is not competitive and on which the rates are higher than they are on that competitive business.

Q. Did you prepare, or have you prepared, or are you familiar with the preparation which has been made under the supervision of yourself and Mr. Taliaferro of exhibits which I will offer before I examine you about them?

A. Yes sir.

Mr. LADD: I will offer in evidence this paper as Defendant's Exhibit 30.

This Exhibit 30 is in the words and figures following, to-wit:

6253 Mr. LADD: I will offer in evidence a statement as Defendant's Exhibit 31.

Exhibit 31 is in the words and figures following, to-wit:

6254 On Friday, February 8, 1907, the direct examination of Mr. CHARLES S. LUDLAM was resumed, as follows:

By Mr. S. B. LADD:

Q. I wish you would take again Exhibits 28 and 29; In the second column of Exhibit 28, Mr. Ludlam, you have the figures 3.734 cents as an estimate of the cost per ton on the State freight, or train service, upon the basis that the train service for the State freight costs twice as much per ton as the train service for the interstate freight: That is what that means?

A. Twice as much per ton per mile, yes sir.

Q. The 3.734 cents is the cost per ton?

A. Yes sir, on the basis of its costing twice as much per ton per mile.

The MASTER:

Q. That is per ton per mile?

Mr. LADD: No sir. If your Honor will look at the first heading of cost per ton.

A. That column represents the cost per ton, based upon the cost per ton mile being twice as great on State as on interstate freight.

Q. The cost per ton per mile is in there, but these figures represent the cost per ton for State freight, do they?

A. Yes sir.

Q. I wish you would explain how you reach that.

A. The cost——

Q. What do you start with?

A. That is what I was going to explain.

6255 The cost per 100 ton miles for train service on the Missouri Pacific Railway, as shown by Form 1941, is 4.1 cents. The ton mileage in the State of Missouri is shown by Exhibit 19 to be 14 tons miles of State freight to 86 ton miles of interstate freight.

Q. What is Exhibit 19?

A. Exhibit 19 is the statement of the freight business of the Missouri Pacific Railway in Missouri during the month of October, 1905.

Q. That showed the proportion of State ton miles of freight handled in Missouri was 14 and of interstate 86; Is that right?

A. Yes sir, approximately. That statement shows actually that out of each 100 ton miles the State freight moved 13.88 ton miles and the interstate freight moved 86.02 ton miles.

Q. But you discard the fractions and call it 14 and 86?

A. I discard the fractions for the purposes of these calculations as they are so small, and call it 14 for State and 86 for interstate ton miles.

Q. That was the operation of the Company for the month of October, 1905, in the State of Missouri?

A. Yes sir.

Q. Proceed.

A. If the State freight cost double, you would multiply the 14 by 2 which would give 28, and to that 28 you would add the interstate mileage of 86, which would give you 114. You would then take the cost as shown by Form 1941, 4.1 cents, and divide
6256 it by 114, which would give you the unit of .0359 cents per ton per mile. You would take that unit of .0359 cents and multiply it by 105.

Q. Why?

A. Because Exhibit 19 shows that all of the interstate freight in the State of Missouri during the month of October, 1905, was hauled on the average 105 miles.

The result of that calculation gives you 3.7695 cents as the cost per ton of the interstate freight in the State of Missouri, for the train service.

Q. You multiply the unit of cost per ton mile, 3.59 by the number of ton miles, 105, and then you have the cost per ton of hauling the interstate freight: Is that right?

A. Yes sir.

Q. Which is how much?

A. Which is 3.7695 cents.

Q. That appears in column 2 of Exhibit 28, which is devoted to the interstate freight, does it?

A. Yes sir.

Q. Go on.

A. You would then take your unit of cost per ton mile of .0359 cents and multiply it by 2 to get the cost of the State tonnage per mile.

Q. That is on the theory of its costing twice as much per ton mile: Is that it?

A. Yes sir.

Q. What then did you find?

6257 A. That multiplication gives you .0718 cents as the cost per ton mile for the train service for State freight, if it costs twice as much per ton per mile for State freight as it does for interstate freight. You would then multiply that .0718 cents by 52 miles, because the State freight is shown to have moved an average of 52 miles to each ton, by Exhibit 19.

Q. That is the October business of the Missouri Pacific Railway Company?

A. Yes sir. The State freight moved on an average 52 miles during the month of October, 1905.

Q. What does that produce?

A. That produces 3.7336 cents.

Q. It is 3.734 here.

A. In Exhibits 28 and 29 we did not carry it out beyond the 1/1000 part of a cent; and in the figures I have just given you it is carried out to the 1/10,000 part of a cent.

Q. That is the way you reach your 3.734 cents?

A. Yes sir.

Q. That is the cost per ton for carrying State freight: Is that right?

A. Yes sir.

Q. Your figures for engine service in Exhibit 28 and 29 are reached in the same way, are they?

A. Yes sir.

Q. You go back to Form 1941 for the cost per 100 ton miles?

A. Yes sir.

6258 Q. For all kinds of freight on the System?

A. Yes sir.

The MASTER:

Q. Your basis of calculation was not per ton mile, but per 100 ton miles: Did you make the allowance by dividing by 100 or reduce it to tons?

A. I made the allowance by dividing by 114, 114 being the result of multiplying 14, the State's proportion, by 2, which gave me 28, and adding to that 28 the interstate proportion, which was 86.

Q. You start with the basis of cost per 100 ton miles and you end with the cost per ton mile, and then multiply by the number of miles to get the cost per ton?

A. Yes sir.

Q. Did you make that allowance for the starting point, that being 100 instead of a single ton cost?

A. Yes sir. That is what I was trying to make clear. That 100 ton miles must include 14 ton miles of State freight and 86 ton miles of interstate freight, because, as shown by Exhibit 19, of every 100 ton miles of freight in Missouri 14 ton miles was State freight and 86 ton miles were interstate freight. Now before dividing it to get the cost per mile, I multiply the State freight by 2, and so instead of dividing the 4.1 cents by 100 I divide it by 114, which gives me the unit of cost per ton mile.

Mr. HAGERMAN:

Q. When you get there to the end you call it "cost per ton." But when you get to the end of it, you mean "cost per ton per

6259 mile:" Because all on earth, if you wanted to get the cost per ton, you would have to do would be to take the total tonnage and divide it by the mileage. You have not allowed for the rest of the distance. When you call it simply tons, aren't you fooling yourself about it, and isn't it after all tons per mile?

A. No sir. I am trying to prevent any deception, and to make it clear and get the actual facts.

I get the unit of cost per ton per mile and then multiply that unit by the mileage which the interstate freight was hauled on the average; and multiply that same unit by the amount equal to twice the unit of cost for the State freight, because it is assumed in this example that the State freight costs twice as much per ton per mile as the interstate freight.

Q. To get it through my head—suppose the total tonnage was 10,000.

A. Yes sir.

Q. And the total expense was 20,000 cents; that would be 2 cents per ton, wouldn't it?

A. Yes sir.

Q. Then you do not have to go through any circumlocution to get that result. And yet, if there had been a difference in the haul you would figure it out and possibly make that four cents or one cent. Therefore, when you get through, don't you, although you call it tons in the end, figure out what it is per ton per mile?

A. No sir.

6260 Q. That is the way I figure your figures, that is all?

A. Taking your example of 10,000 ton miles that you speak of——

Q. There are no ton miles in that at all. The road just hauls 10,000 tons and it costs 20,000 cents to do it. I say that is 2 cents per ton.

A. If of those 10,000 tons you are referring to, 1,000 tons were hauled one mile and the other 9,000 tons hauled 1,000 miles each, it would be preposterous to say that the tonnage costs 2 cents per ton. Of course it is apparent that a ton that was hauled 1,000 miles would cost more than a ton which was hauled only one mile.

Q. I understand all that, but when you take that all into consideration——

A. I get the unit of cost per ton per mile and then reduce it to the cost per ton by multiplying it by the mileage each ton was hauled.

Q. I would say you were figuring it on a ton mile basis. When you get to the end of it, really it is the ton per mile?

A. It is the cost per ton determined on a ton mile basis, assuming that the State business costs exactly double per ton per mile what the interstate business costs per ton per mile.

Mr. LADD:

Q. The Master spoke to you about commencing with 100 ton miles: Why do you do that, because Form 1941 deals with the cost of 100 ton miles? Is that it?

6261 A. Yes sir.

Q. Form 1941 is where you got your start of 4.1 cents?

A. Those are the Company's own figures which show it cost them to move one ton 100 miles, 4.1 cents.

Q. That is, for 100 tons one mile or one ton 100 miles?

A. Yes sir.

Q. The Master asked you about taking 100 ton miles: Have you made the allowance so as to reduce it to one ton mile, in the process of your calculations?

A. Yes sir.

Q. Instead of 100 tons?

A. Yes sir. I have reduced it to one ton mile, and then multiplied the unit of cost in the case of both State and interstate, by the distance hauled.

Q. And the fractions get a good deal smaller than they start with?

A. Yes sir.

The MASTER:

Q. That calculation, dealing with miles instead of percentages, is precisely analogous to Mr. Sturgis' processes: His per cent became 136, as I remember it, instead of 100. And in your figures the miles become 114 instead of 100?

A. That is it exactly.

Q. And when reducing it back, instead of dividing by 100 you divide by 114?

A. That is it exactly.

Mr. LADD:

Q. Assuming that the average cost for train service in
6262 Missouri for 100 ton miles is the same as it was on the System, and assuming further that the cost per ton mile for the train service on the State traffic is twice as much as on the interstate——

A. Per ton per mile?

Q. Yes, per ton per mile. And, assuming that the average haul of the State traffic is 52 miles, and the average haul for interstate traffic is 105 miles, is this result mathematically correct?

A. Yes sir, it is.

The MASTER:

Q. What you mean by results, I take it, Judge Ladd, is the result as shown in Exhibits 28 and 29.

Mr. LADD: Yes, Your Honor.

Mr. HAGERMAN:

Q. Why do you use the unit of cost for the ton mile on the entire system?

A. Because it is the only unit I have.

Q. Why didn't you use the unit of cost per ton mile in Missouri—because you haven't it?

A. Yes sir.

Q. If you had it, you would prefer to use it—or, rather, you ought to use that instead of the other, on account of your own theory?

A. Yes sir, I think if you had the cost per 100 ton miles in Missouri it would be better than the cost per 100 ton miles on the System as a whole.

Q. Did you make any difference in the cost per 100 ton
6263 miles, and the cost per ton mile?

A. Yes sir, I make a difference of 100.

Q. If you had the actual cost per ton mile in Missouri, wouldn't that be the preferable way to make your calculations?

A. If I had the cost per ton per mile.

Q. In Missouri?

A. Yes sir.

Mr. LADD:

Q. But you haven't that?

A. No sir.

I should assume, Mr. Hagerman, without any specific knowledge in the premises, that on account of the greater density of traffic in the State of Missouri than on the entire System, that the engine and train service per 100 ton miles would be less in Missouri than it would be on the System as a whole.

Mr. LADD:

Q. You have not taken that into account in this calculation?

A. No sir, those figures are based entirely upon the cost on the System as a whole, as shown by Form 1941.

6264 Q. Mr. Ludlam, I wish you would look at Exhibit 30, which was formally put in evidence Wednesday last: I want to ask you some questions about it.

This statement Exhibit 30 purports to be a statement of the gross earnings and operating expenses and net earnings of the Missouri Pacific Railway Company for the calendar year 1905, on the following basis:

You seem to have at the head eight paragraphs numbered 1, 2, 3, 4 and so on, and each one of these eight paragraphs involves to a certain extent at least, an assumption, an hypothesis, doesn't it?

A. Yes sir.

Q. First, that of the interstate freight earnings (mentioning the amount) that is taken from Exhibit 5?

A. Yes sir.

Q. And you took the Complainant's figures for the interstate freight earnings there?

A. Yes sir.

Q. 80.99 per cent was derived from the carload business: Where did you get that percentage?

A. That is shown by Exhibit 19, which represents the business of the Missouri Pacific Railway in the State of Missouri during the month of October, 1905.

Q. That was an Exhibit prepared by yourself and your assistants?

A. Yes sir.

Q. After an examination of the business of the Company
6265 for that month?

A. Yes sir.

Q. And if the results reached by you were accurate, 80.99 per cent of the business of that month was from carload business?

A. 80.99 per cent of the total interstate earnings were from interstate carload business.

Q. And 19.01 per cent was from less than carload business?

A. 19.01 per cent of the total interstate earnings were from interstate less than carload business.

Q. The last sentence of that paragraph states that the interstate earnings from services incidental to interstate traffic, $231,043.79 have been added to the earnings derived from interstate carload business: Where do you get those figures?

A. Those are shown by Exhibit 5, as I recall.

Q. That is from Complainant's Exhibit 5?

A. From Complainant's Exhibit 5-*a*, Page 3.

Q. $3,777,390.45 is the amount of the interstate freight earnings for the year 1905, as shown by Complainant's Exhibit 5-*a*, isn't it?

A. Yes sir.

Q. After you have divided up that amount between carload and less than carload business, according to the percentages which have just been mentioned, you add $231,043.75, the whole of it, to the carload business: Is that right?

A. Yes sir.

Q. $231,043.79 are also figures taken from the same Ex-
6266 hibit 5, aren't they?

A. Yes sir.

Q. Being the revenue from interstate services incidental to the freight traffic?

A. Yes sir.

Q. Now why do you add all that to the carload business? Because you could not divide it?

A. No sir. Because it would appertain more largely to the carload business. I- would appertain almost entirely to the carload business, being the switching or carload shipments and demurrage on cars.

Q. At all events, you added the $231,043.79 to the $3,059,308.53, did you?

A. Yes sir. And that gives me $3,290,352.32 as the gross earnings from the interstate carload business.

Q. Those are the figures at the head of each of the three columns of figures?

A. Yes sir, and those represent the gross earnings on interstate carload business during the calendar year 1905.

Q. Your second assumption is, that of the State freight earnings $1,632,856.14, that you get from Exhibit 5, too?

A. Yes sir.

Q. 63.30 per cent was derived from carload business and 36.70 per cent from less than carload business: How did you arrive at those percentages?

A. Those are the ratios shown by Exhibit 19. That is to say, of the total earnings from State freight during the month of October,
1905, 63.30 per cent was derived from carload business and
6267 36.70 per cent from less than carload business.

Q. That was the percentage, was it, for the month of October, 1905?

A. Yes sir.

Q. And you assume that that same percentage of earnings between State less than carload and State carload business prevailed during the entire year: Is that it?

A. Yes sir.

Q. You put in the State earnings from services incidental to State traffic, or earnings derived from carload business, just as you did in regard to the interstate?

A. Yes sir.

Q. Do you think that is right?

A. Yes sir.

Q. Your third assumption is that the earnings in Missouri from interstate carload business averaged 6 mills and about 2/3, per ton per mile: Where did you get that and why do you use those figures?

A. Those were the earnings per ton per mile realized by the Company from its interstate carload business in Missouri during the month of October 1905, as shown by Exhibit 19.

Q. That is accurate, is it?

A. Those were the actual earnings during the month of October from the interstate carload business.

Q. And you assume that the earnings were the same on that kind of business during the entire year?

A. Yes sir.

6268 Q. It is suggested to me that I ask you where there were some deductions on account of claims, some small matters, that you did not take into account and did not take out of these earnings, for the month of October, 1905?

A. Yes sir.

Q. Did they amount to much?

A. No sir, they were very immaterial and probably would not affect the average per ton per mile at all.

Q. Your next statement is that the earnings from interstate less than carload business were 2 cents and a little over 8/10 of a cent per ton per mile: Was that actual for the month of October?

A. Yes sir, those were the actual earnings per ton per mile realized by the Company from its interstate less than carload business during the month of October, 1905, as shown by Exhibit 19.

Q. And you assume that the same conditions prevailed during the rest of the year, in getting up this exhibit?

A. Yes sir.

Q. The fifth assumption states that the earnings from State carload business averaged 1.21 and a fraction cents per ton per mile: Where did you get that?

A. Those are the earnings realized by the Company from its State carload business during the month of October, 1905, as shown by Exhibit 19.

Q. And you apply the same ratio of earnings to the whole year, do you?

A. Yes sir.

6269 Q. Assuming that that was the average for the whole year?

A. Yes sir.

Q. The next assumption is that the State less than carload business earnings averaged 4 cents and nearly ½ a cent (I am disregarding the fraction) per ton per mile. Was that actual as the result of your investigation of the business of the Company for the month of October, 1905?

A. Yes, sir, as shown by Exhibit 19.

Q. And this exhibit is on the hypothesis that the earnings were the same per ton per mile during the whole year, on that class of business: Is that right?

A. Yes sir.

Q. Your seventh column is an assumption that the total operating expenses of the State carload business were twice as much per ton per mile as the total operating expenses of the interstate carload business: The whole of that is an assumption, isn't it?

A. Yes sir.

Mr. HAGERMAN:

Q. What did you assume in figures is the operating expense?

A. May I answer Mr. Ladd first, please?

That ratio of cost of 2 on State carload to 1 on interstate carload business, is used because it has been discussed in this case a great deal. I do not mean to say we assume the cost is as much
6270 as twice per ton per mile on the State carload business as it is on the interstate carload business.

Q. In your opinion is it twice as much?

A. No sir.

Mr. HAGERMAN: You say that just to be liberal?

Mr. LADD:

Q. You use that as an assumption for the purposes of this exhibit?

A. Yes sir, as Mr. Hagerman says, to be liberal.

Q. You use the expression in that seventh paragraph, "total operating expenses of the State carload business are twice as much per ton per mile as the total operating expenses of the interstate carload business": What did you include there in the expression "total operating expenses"?

A. I include all of the expenses which are designated as "operating expenses."

Mr. HAGERMAN:

Q. Designated in what?

A. In railroad parlance and in the Interstate Commerce Commission's classification.

Mr. LADD:

Q. Please look at the next page of this Exhibit 30, Page 2, where you show the operating expenses of the total interstate and State business: How much is it?

A. $4,234,884.

Q. Where did you get those figures?

A. Those figures were the original figures submitted by the Complainant in Page 3 of Exhibit 5. These figures of $4,234,884
6271 were subsequently reduced by the Company, in an amended statement filed as Page 3 of Exhibit 5-2, to $4,203,320.24.

Mr. HAGERMAN:

Q. That would make no substantial difference in your figures?
A. Or about $31,500.
Q. Substantially that would make no difference in your figures, I say?
A. If we had used the expense as finally reported by the Company, the net earnings shown by Exhibit 30 would have been correspondingly increased.

I might say here, that Exhibits 30 and 31 had been prepared before the operating expenses as reported by the Company had been corrected, and we did not re-prepare the exhibits, as they were in favor of the Company as already prepared.

Mr. HAGERMAN:

Q. What I want to get at, to avoid any confusion, is that that $30,000, if his figures and assumptions are correct, would not make any substantial difference, so as to make it necessary to make the calculations again.
Q. That is safe to say, isn't it, Mr. Ludlam?
A. That is what we thought.
Q. It would not make any substantial difference between the parties, so as to make it necessary to re-figure it all over again.
Mr. LADD: There figures you call the total operating expenses, $4,234,884, are the Complainant's own figures as filed in this
6272 first Exhibit 5 of earnings and expenses, aren't they?
A. Yes sir.
Q. And subsequently there was an amended statement filed which reduced those figures 31,000?
A. Some $31,500.
Q. On the freight?
A. Yes sir.
Q. But it would not make very much difference?
A. No sir, and whatever difference it would make would be——
Q. Toward an increase of the net earnings?
A. Yes sir, toward an increase of the net earnings.
Q. But it would not be large enough to make it worth while to stop and figure this over again: Is that the idea?
A. That was our idea.
Q. In the total operating expenses as you use the expression here, you do not include taxes, rentals and interest on the bonded indebtedness, do you?
A. No sir.
Q. You say in regard to the assumption in the seventh paragraph, that the operating expenses of the State carload business were twice those of the interstate carload business, that that is not an assumption based on your own opinion?

A. That is what I said, yes sir.

Q. But it is assumed there merely for the purposes of seeing what the result would be if the expenses were twice as much: Is that right?

6273 A. Yes sir, what the result would be, even if the expense did amount to twice as much per ton per mile in the case of State as in the case of interstate carload business.

Q. In the eighth column you have an assumption there that the total operating expenses of the less than carload business, both interstate and State, were, first three times as much per ton per mile as the total operating expenses of the interstate carload business: That is an assumption of a similar kind to the one we were last talking about, is it?

A. Yes sir.

Q. Now you have three columns here, with three different headings, in this Exhibit 30: In each one of these columns I understand you proceed upon the basis of the State carload business costing twice as much per ton per mile as the interstate carload business: Is that right?

A. Yes sir.

Q. That is involved in the figures in all three columns?

A. Yes sir.

Q. And the only difference in these three columns is the relative expense of doing the less than carload business?

A. Yes sir.

Q. Which in the first column you assume to be three times; in the second column five times; in the third column seven times; as much per ton per mile, as the interstate carload business: Is that it?

A. Yes sir.

Q. As far as the amount of gross earnings and operating

6274 expenses of the Company in the handling of the freight business in the year 1905 is concerned, or appear in this Exhibit 30, you take them from the Company's own figures which they have furnished in Exhibit 5, don't you?

A. Yes sir.

Q. Except that little change of $31,500 in Exhibit 5-*a*?

A. Yes sir.

Mr. HAGERMAN:

Q. Let me see if I understand that? You confused me a little about it by speaking about the Interstate Commerce Commission.

Where you say operating expenses you used the figure we have on Exhibit 5, Page 3, exclusive of taxes and rentals?

A. Yes sir, and which you call "operating expenses."

Mr. LADD:

Q. Mr. Ludlam, I am not going to take you through these figures, of course, but I want to ask you, when you proceed upon the assumption that the operating expenses of State carload business are twice as much per ton per mile as for interstate carload business, do you figure and pursue the same process of calculation that has been referred to

at considerable length here this afternoon; in reference to some other calculations of the same general character?

A. Yes sir.

Q. That is, you multiply something by 2: Is that right?

A. Yes sir.

Q. And then in the other case you multiply it by 3?

6275 A. Yes sir.

Q. And then by 5 and by 7?

A. Yes sir.

Q. That is for the State business: And then you add the interstate to that and make a larger amount than 100 would be, and then you take the relative per cents of your larger amounts: Is that right?

A. Yes sir, except in this calculation we also include the 3, 5 and 7 times less than carload business.

Q. I know you do.

A. The three items added together, before you get the divisor.

Q. It is the method by which those results were reached?

A. Yes sir.

Q. The same that has been talked about here before, and which you have explained?

A. Yes sir.

Q. Upon these assumptions——

A. May I make a statement there before I get too far away from the operating expenses?

Q. Yes.

A. I want to bring out the fact that the operating expenses which we use here, include all the expenses of the Kansas City terminals.

Q. I know that. You took the operating expenses from the figures they gave us in their statement?

A. Yes sir.

6276 Q. And this it has been shown does include the expenses of the Kansas City terminals?

A. Yes sir.

Q. Upon the basis that the State carload business costs twice, and the less than carload business costs three times as much per ton per mile as the interstate carload business, what were the net earnings on the State freight business for the year 1905?

A. $46,831.31.

Q. Right at that point, to digress a little, when you speak of less than carload business costing three times as much per ton per mile as interstate carload business, do you mean all less than carload business, both State and interstate?

A. Yes sir.

Q. And that is true in all these columns, is it?

A. The same principle is followed in all these columns.

Q. It is upon the assumption that all the less than carload business costs respectively 3, 5 or 7 times as much as the interstate carload business?

A. Yes sir.

Q. Upon the assumptions contained in the heading of your second column, that the State carload business costs twice, and all the less

than carload business 5 times as much as the interstate carload business, what were the net earnings upon the State freight business of the Company for the year 1905?

A. $442,268.98.

Q. And in the third column, changing the multiple of
6277 5 to 7, what is the result as to the net State freight earnings?

A. $421,941.55.

Q. What was the ratio in the State freight business of the operating expenses to gross earnings, upon the assumption mentioned in the heading of the first column?

A. 71.85 per cent.

Q. And in the second column?

A. 73.33 per cent.

Q. And in the third column?

A. 74.55 per cent.

Q. What was the percentage of operating expenses to earnings upon all the freight business of the State, both State and interstate.

A. Upon the assumption outlined in the first column, it was 74.72 per cent.

Upon the assumption outlined in the second column it was 74.72 per cent.

And the same in the third column.

Of course, the total expense to total earnings would not vary, because your total earnings and total expenses remain the same.

Q. You take the total earnings as shown by the Company's figures and the total expenses as shown by the Company's figures?

A. Yes sir.

Q. So those would not vary?

A. No sir.

6278 Q. Upon the assumption contained in the heading to the first column, what were the net earnings of the Company for that year, upon the interstate freight business, both carload and less than carload?

A. Upon the assumption outlined in the first column, the net earnings from the total interstate business were $965,246.60.

Q. And how much in the second column?

A. $989,808.93.

Q. It is more in the second column than it is in the first column?

A. Yes sir.

Q. Does that arise from the fact that you charged the State business with five times in the second column and only three times in the first?

A. The less than carload business is five times

Q. That causes that difference, does it?

A. Yes sir.

Q. How much were the net earnings upon the entire interstate business, upon the theories mentioned in the heading of the third column?

A. $1,010,136.36.

Q. And that is still larger net earnings upon the interstate business than shown in the second column?

A. Yes sir.

Q. Why is that?

A. Because we use the multiple of 7 in the case of the less than carload business as compared with the multiple of 5, which
6279 is used in the second column.

Q. I see in that last column, under the head of "net earnings of the interstate less than carload business" these figures in red ink $124,236.51: What does that mean?

A. That means that if it did cost 7 times as much per ton per mile to do the less than carload business as it cost to do the interstate carload business, the Company lost during the year 1905, from its interstate less than carload business, $124,236.51.

Q. Well, now, come down a little further in that third column on the first page: The net earnings of the State less than carload business *are* stated under the same circumstances would have been $130,947.72: How do you account for some net earnings in the State less than carload business and losses in the interstate less than carload business, although they come in under the same head?

A. That the earnings from the State less than carload business per ton per mile are so greatly in excess of the interstate less than carload business, that if you apply a ratio of cost that results in a loss from the interstate less than carload business, you still have a profit left from the State less than carload business.

Q. So while you are sustaining a loss on the interstate l*ess* than carload business and a gain on the State less than carload business, you are applying the same cost per ton per mile to both classes, are you?

A. Yes sir.

Q. And the reason you assign for one resulting in a loss
6280 and the other in a gain, is the largely increased revenue in the case of one over the other?

A. The largely increased revenue per ton per mile in the case of the State business.

Q. That Exhibit 30 is based upon the increased cost over the cost of doing interstate carload business experienced by all the other kinds of business, in every item of expenditure of the operating expenses, isn't it?

A. Yes sir.

The MASTER:

Q. Under item 6 of Page 2 of this Exhibit 30, and in column one, as I understand, you figure out upon those different hypotheses mentioned on the face of the exhibit, that the Company made a net earning on its State freight business for the year 1905 of $466,831.31, allowing that the less than carload business costs twice as much as the carload business?

A. No sir.

Q. Allowing that the State business costs——

A. Allowing that the State business (carload) costs twice as much as the interstate carload business; and that all less than carload business costs three times as much as the interstate carload business.

Q. Both those assumptions are in column one?
A. Yes sir.
Q. That brings you a net gain or profit of 466,000 odd dollars?
A. Yes sir.
6281 Q. Now on the same assumption, so far as carload and less than carload freight is concerned, but allowing that the State freight costs 7 times as much as the interstate freight, there would still be a profit of $421,000?
A. No sir.
Q. What is that?
A. That $421,000 is the profit, after allowing that the State carload business costs twice as much per ton per mile as the interstate carload business costs; and that all of the less than carload business, both State and interstate, costs 7 times as much per ton per mile as the interstate carload business costs.

The MASTER: I did not quite gather that from your explanation. You may proceed now, Mr. Ladd.

Mr. LADD:

Q. Mr. Ludlam, as an accountant, I would like to have you say whether if these different hypotheses, so far as these results are based on hypotheses at all, are correct, whether the working out of the results is mathematically correct.
A. They are, yes sir.
Q. Now take up Exhibit 31. It purports to be a statement of the gross earnings, operating expenses and net earnings of the Company, for the calendar year 1905, upon certain other bases and assumptions: Now you have statements of fact and also assumptions, in eight paragraphs, just as you had in Exhibit 30.
I will ask you, without going over them, whether the statements of fact and the assumptions contained in the first six paragraphs are the same as they are in Exhibit 30.
6282 A. Yes sir, exactly the same.
Q. Identically the same?
A. Identically the same.
Q. The seventh paragraph of Exhibit 31 assumes, for the purposes of the exhibit, that that portion of the operating expenses known as "conducting transportation," was 2 times or 5 times as much per ton per mile as the same portion of the expenses was on the interstate carload business?
A. Yes sir.
Q. By that expression "conducting transportation," do you refer back to Complainant's Exhibit 5-*a* on the page on that exhibit which deals with expenses?
A. Yes sir.
Q. I should like to have you explain, in the first place, what expenses you include in this subdivision of "conducting transportation."
A. I include all the expenses that are grouped in the Company's statement of operating expenses under the heading of "conducting transportation."

Q. Where did you find that?
A. I found the statement of the items included in operating expenses, on Page 47 of the Annual Report of the Company for the year ending June 30, 1906.
Q. Will you please look (I want to know a little more definitely what you include in there) at Page 5 of Exhibit 5-*a*: Is that the page which gives the expenses?
6283 A. Yes sir, that is the page which gives the expenses.
Q. Look down the latter half of the page.
A. January 1st to December 31st, 1905?
Q. Yes, the expenses for the year 1905. Under the head of "conducting transportation" you include the conducting transportation as it is mentioned here on this page 5 of Exhibit 5-*a*?
A. I included it as originally given, not as mentioned on this page of Exhibit 5-*a*. It was corrected on that exhibit.
Q. Have you the original Exhibit 5, as there appears no change there. You included conducting transportation and if any change was made it is not material here?
A. I included the item conducting transportation.
Q. Loss and damage?
A. Yes.
Q. Injuries to persons?
A. Yes.
Q. Agencies and advertising?
A. Yes.
Q. You did not include general expenses?
A. No sir.
Q. In this exhibit you do not allow any additional charge per ton mile to the State freight of any part of the operating expenses, except those incident to conducting transportation, as you have just defined that term: Is that right?
A. Yes sir.
Q. All the rest of the expense you assume that the State
6284 traffic should bear in its own proportion, with all the rest of the traffic: Is that right?
A. Yes sir.
Q. In other words, to illustrate. You do not charge the State traffic with any extra cost of maintenance of way and structures and maintenance of equipment?
A. No sir, nor general expenses.
Q. Now your eighth assumption in Exhibit 31 is that of the total operating expenses in connection with the less than carload business, both State and interstate, the portion known as conducting transportation was 3, 5 or 16 times respectively, per ton per mile, as on the interstate business—you mean interstate carload business?
A. 3, 5, 7 of 15 times as much.
Q. I see that it says on this exhibit, the very last words in that paragraph, "interstate business:" It should be "interstate carload business"?
A. Yes sir.
Q. Put that in on that exhibit.

NOTE.—The word carload is inserted in the place indicated on the exhibit.

A. And I would also like to insert between 5 and 15 the number 7. It should be "3, 5, 7 or 15 times."

Q. Right at this point I will ask you whether in your opinion the expenses of the State carload business incidental to conducting transportation, as you have defined them, are twice as much per ton per mile as the interstate carload business?

6285 A. I do not think they are.

Q. This is merely an assumption, then, for the purpose of showing what the result would be if they were that much greater?

A. Even if they were that much greater.

Q. Is it your opinion that the expenses of conducting transportation of less than carload business, State and interstate, is three times as much as that of handling the interstate carload business?

A. Yes sir, I should think that portion of the operating expenses in handling less than carload business would be increased at least three times over the cost of interstate carload business.

Q. Three times as much per ton mile?

A. Fully that much. Somewhere between 3 and 5, if I were expressing an opinion.

The MASTER:

Q. What is that?

A. I should estimate that portion of the operating expenses known as "conducting transportation" would be somewhere between 3 to 5 times as much for all less than carload freight, both State and interstate, as the cost of the same portion of the operating expenses on the interstate carload business.

Mr. LADD:

Q. Per ton per mile?

A. Per ton per mile.

Q. Assuming, as you do in your first column of figures, that that part of the operating expenses is twice as much per ton per

6286 mile on State carloads as on interstate carload business, and on all the less than carload business three times as much per ton per mile as the interstate carload business, what were the net earnings in 1905, of the Company on its State freight business?

A. $612,087.84.

Q. Under the second column, on the assumption that the less than carload business costs 5 times as much per ton per mile as the interstate carload business, what would have been the net earnings of the Company on the State freight business during that year?

A. $564,561.09.

Q. And in the third column, substituting 7 times for 5, what would the net earnings be?

A. $560,845.74.

Q. The fourth column is on the basis that the State carload business, so far as conducting transportation is concerned, costs 5 times as much, and all the less than carload business 15 times as

much per ton per mile as the interstate carload business: What would be the earnings on the State business on that hypothesis?

A. $53,930.12.

Q. Under your fourth column I see opposite the expression "net earnings on the interstate less than carload business," figures in red: What does that mean? That there would be a loss?

A. That means that if that portion of the operating expenses known as "conducting transportation" were 5 times as much
6287 per ton per mile on the State carload business as on the interstate carload business: And 15 times as much on all less than carload business as on the interstate carload business, the Company would have suffered a loss on its interstate less than carload business, during the year 1905, of $223,332.79.

Q. On the same assumption how would it have come out on its State less than carload business?

A. It would still have made money on its State carload business, namely $109,705.62.

Q. If those figures are correct what causes the loss in one case and the profit in the other, in your opinion?

A. The rates on State less than carload business are so greatly in excess of the rates on the interstate less than carload business, that even if the ratio of cost of all of the less than carload business increased to an absurd extent, it would still leave a profit on the State business; whereas, it would show a loss on the interstate business.

Q. How would the Company have come out on that last hypothesis, on their State carload business?

A. They would have lost $55,775.50 during the year 1905.

Q. Upon the assumption stated in the heading to your first column, what would have been the net earnings of the Company in the State, on its interstate and State business together?

6288 A. $1,432,077.91.

Q. And so far as its net earnings on its entire business are concerned, that result would have continued under all the hypothesis which you have predicated here?

A. Yes sir. The total net earnings as well as the total gross earnings. And the total operating expenses in each case agrees with the Company's figures.

Q. But these hypotheses which you have assumed here do not change the total amount of operating expenses or the total amount of the earnings, as originally reported by the Company?

A. No sir.

Q. In this Exhibit 31 you have taken the same figures furnished you by the Company, and the same figures and percentages which you arrived at by an examination of the Company's business for the month of October, 1905, and you have in addition to that made some assumptions of your own: Now taking those altogether, I will ask you as an accountant, if the results which have been shown here have been ascertained by the application of the correct mathematical principles in arithemetic?

A. Yes sir, I believe so.

The MASTER:

Q. The net earnings which you figure there, do not take into account at all, one way or the other, the matter of fixed charges and taxes, as I understand?

A. No sir, they include all of the operating expenses.

Q. Mr. Ludlam, on page one of the original Exhibit 5, which is for 1905, I take it, this appears: "Total expenses of local freight traffic $1,926,714.19": and that refers to a note at the foot reading, "The expense of handling local freight is arrived at by dividing the total freight expense on per cents based on gross earnings, after adding fifty per cent to the local earnings on account of the extra cost of handling local business as compared with interstate business."

What does that mean? Does that have any reference to
6289 the revenue or to the earnings?

A. Yes sir. That means that they have estimated the expense as being fifty per cent more in proportion to revenue. That is, assuming that the revenue on the state business is more than twice as much per ton per mile as it is shown to be, by Exhibit 19, I mean, twice as much per ton per mile on the state business as it is on the interstate business, then if they took *to* same proportion of earnings in the case of state freight that they take in the case of interstate freight, why then they would be charging twice as much per ton per mile, over twice as much per ton per mile on state freight as on interstate. But when they add fifty per cent to that expense, then they are charging over three times as much per ton per mile as the cost of the state business, as they are charging for the cost of the interstate business.

Q. For instance, suppose it were said that the state business cost three times as much in proportion to the revenue as the interstate business, and it appeared that the revenue from the state business was twice as much per ton mile as from the interstate business, what does that mean? Three times as much in proportion to revenue? How much more per ton per mile under such circumstances as those?

A. Six times per ton per mile.

Mr. HAGERMAN:

Q. As I understand you, the way you figure out the increased revenue per ton per mile, according to your Exhibit 19, every time we say it cost twice as much to do the state as the interstate business, you just offset it by the increased revenue: Isn't that the way your figures run?

6290 A. That would be the application that would be made; if the revenue was twice as much, and you figured the percentage of revenue expense, you would get the same ratio.

Q. We could not get even with you until we used the multiple of two, according to your theory?

A. You are twice even with us to start out with. You double your expense on the state business, right on the start, when you take the same ratio of expense to earnings.

Q. What I had running through my mind was that your figures,

as you figure on your assumptions, and on your Exhibit 19, upon your theory we would have to say it cost practically twice as much to do the state business as to do the interstate, before we get even with the increased revenue, according to your own theory?

A. No sir, you do say it costs twice as much, when you take the same ratio of expense.

What you should do, is to divide your expenses, to get the same ratio. You double it. And when you increase it, as you have in this case, fifty per cent, you make it three times. If you increase it three times, you make it six times. And if you increase it six times you make it twelve times.

Q. Do you mean that if you make it six times on the ton mile basis, that it — the equivalant of three times as much on the revenue basis? Is that the way it works out?

A. Yes sir. If the revenue on the state business was just double what it was on the interstate business per ton per mile. But, as a matter of fact, the revenue per ton per mile was more than double.

6291 Q. It was just about double, according to your figures on Exhibit 19?

A. A little more than double.

Q. We were calling it double, for practical purposes. It was running through my mind that your theory was practically that way.

A. I would like to make that very clear—and I do not think I can make *to* too clear—that the revenue has no possible relation to the cost. It costs the company just as much to haul a ton of sugar a mile in Missouri, whether that sugar originates in St. Louis or whether it originates in New York. And the revenue in Missouri is twice as much for hauling it that mile as the revenue on the sugar that originates in New York that is hauled one mile in Missouri. But the cost of actually hauling that ton of sugar a mile is the same in both cases. And the mere fact that the revenue is twice as much in one case as it is in the other case does not in any way affect the cost per ton.

Q. That is to say, in ascertaining the cost, the question of revenue should not enter into it, in your judgment?

A. Absolutely not.

Q. The cost has nothing to do with the revenue?

A. They are two separate and distinct features. Cost had no more relation to revenue than any two things that are entirely separate and distinct.

Q. So if it actually costs, on any theory you figure it out, three times as much to do the state business as to do the interstate

6292 business, it should not be considered so far as it affects the question of revenue?

A. The revenue may be ten times as much, but they have no relation to each other.

Q. The cost must be determined as something separate and distinct and apart from the revenue?

A. Unquestionably. I would like to illustrate that by a little example I have here.

If you take two tons of freight, each one moving a mile, and one of those tons is state freight, and, for the purpose of illustration we will assume it earned ten cents for moving that mile. The other ton is a ton of interstate freight, which was moved one mile, and we will assume that it earned five cents for moving that mile. That would make your total earnings fifteen cents. The expense, we will assume, for hauling those two tons one mile, both tons of freight being of the same class, would cost identically the same, say ten cents. If you take that expense of ten cents, however, and divide it on the basis of revenue, you would apportion two-thirds of the total expense against your ton of state freight, or six and two-thirds cents, because the state freight earned two-thirds of the total revenue of fifteen cents. And if the total expense was ten cents, and you apportioned it on the basis of revenue, you would apportion two-thirds of the expense to state business, which would make the expense for hauling that tone of state freight six and two-thirds cents, as compared with the expense of hauling that ton of interstate freight, three and one-third cents.

6293 Now there you get a condition right away where it costs you twice as much to move that ton of State freight a mile as it costs you to move a ton of interstate freight a mile, although they both moved under exactly the same conditions, possibly in the same car, and over the same track.

That is the result of apportioning it on the basis of revenue.

Now, if you take it on the three-times basis; that is, three times in proportion to revenue, the state freight earnings being ten cents, and the interstate earnings five cents, you would multiply your state earnings by three, which would give you thirty for the state as against five for the interstate. That worked out to a conclusion would result in that ton of state freight cos-ing you 8 4/7 cents for moving it a mile, as compared with a cost of 1, 3/7 cents for moving another ton of exactly the same kind of freight, perhaps in the same car, a mile. This expense in the case of the state freight 8, 4/7 cents would be exactly six times the expense of the interstate, which figures out 1, 3/7 cents.

Now, then, if you go still further and assume it costs six times in proportion to revenue, the state revenue being still ten cents, multiplying that by six gives you sixty. The interstate revenue remains the same, five cents. If you apportion your expenses on that basis, the total expense of moving those two tons one mile each, ten cents, you would have to apportion 12/13 to that ton of state; or, worked out the ton of state freight would cost 9, 3/13 cents for hauling it a mile; as compared with a ton of interstate freight, costing

6294 10/13 cents for hauling it a mile; although it may move in the same car, and is the same class of freight, and moves over the same track.

In that case, where you say the expense is six times in proportion to revenue, you are apportioning to the state expenses twelve-thirteenths of the total cost of moving those two tons one mile.

And that is not an exaggerated case, because I start out with a revenue of ten cents for the ton mile of state freight as compared with a

revenue of five cents for a ton mile of interstate freight. That would make the state revenue almost twice the interstate revenue. Exhibit 19 shows that taking all the state freight into consideration, and all the interstate freight into consideration, the company received more than twice as much per ton per mile for the state freight as it did for the interstate freight.

Mr. LADD:

Q. Assuming that the revenue for performing certain services for state freight is twice as much as the revenue for performing the same service in the case of interstate freight, what does it mean to say that the cost of handling state freight is seven times as much as the cost of handling interstate freight in proportion to revenue?

A. It means that you are assuming that the cost for moving the state freight is fourteen times as much per ton per mile as for moving the interstate freight.

And the point I would like to illustrate is, that where the service is the same, there can be no difference in the cost. The point of origin of the freight can have no effect on the cost as I see
6295 it, although where the service is the same the revenue is not the same, by any means.

Q. Take a carload of salt, and a carload of sugar, both in barrels. Ordinarily, which would bear the higher rate for transportation?

A. The sugar would run from double to more than double as much as the salt, for the same distance, and the same weight.

Q. Suppose it is twice as much, and there is the same weight in the car, and that it is in barrels, and although both carloads are shipped from St. Louis to Jefferson City, and go into the same train,—is that an illustration of the proposition that the revenue received has no relation to the cost of the service?

A. Yes sir.

Q. The company would get twice as much for hauling that carload of sugar as it would for hauling that carload of salt?

A. Yes sir.

Q. And the expense is exactly the same in both cases?

A. Yes sir, I would like to say, before I get away that *that*,—I should like to qualify that by saying that when I say the expenses are exactly the same, I mean that the only possible difference in the cost is the liability which the company assumes for the value of the two shipments, the sugar being more valuable than the salt. But the total loss and damage paid by the company are such a very small per cent of their gross earnings, that when you come to consider the cost, per ton per mile, it almost vanishes.

6296 Q. I wish you would take a paper, which we will offer in evidence as Exhibit 35: Did you prepare that paper?

A. Yes sir.

Mr. LADD: We will offer in evidence the paper referred to as Defendant's Exhibit 35.

Defendant's Exhibit 35 is in the words and figures following, to-wit:

6297 Q. Where did you get the figures in the first column of Exhibit 35, under the head of "amounts"?

A. From Exhibit 27.

Q. Those are system figures?

A. Yes sir.

Q. Where did you get the figures in the second column, under the heading of "per cent"?

A. We made those figures.

Q. Those you worked out yourself?

A. Yes sir.

Q. You think they are accurate?

A. They are the per cents which the amounts in the first column represent, and they are correct.

Q. Of the total operating expenses?

A. Yes sir.

Q. In respect to the expense of doing the State business as compared with the interstate business, what, for the purposes of this exhibit, is assumed to be the proportion?

A. It is assumed that the station service, yard service, train service, and the engine service, each cost twice as much per ton per mile for State business as for interstate business.

Q. When you speak of State business there you mean State business of all kinds, both carload and less than carload, and the same is true in respect of the interstate business, is it?

A. Yes sir.

6298 Q. Go on down to the second group of figures on that statement: The one headed "ratio" and the other "State" and the next one "interstate": That is, that first column consists of percentages?

A. Yes sir.

Q. All three columns are percentages?

A. Yes sir. The percentages shown in the first column are the percentages shown above, brought down.

Mr. HAGERMAN:

Q. In the first column the percentages are exactly the same as they are in the second column of the first list of figures?

A. Yes sir.

Q. But not in the same order?

A. No sir.

Mr. LADD:

Q. The second column of percentages remains the same as the first column of percentages, with the exception of those which refer to station service, yard service, train service and engine service: Is that right?

A. That is correct.

Q. And you have put them upon the basis of twice as much for State as for interstate: Is that right?

A. Yes sir, twice as much per ton per mile for State as for interstate.

Mr. HAGERMAN:

Q. The designation is made where it is figured, at twice as much?

A. Yes sir.

Q. They are not all figured out twice: Take maintenance of way and structures for instance.

6299 Mr. LADD: That remains the same. He does not make any change in that.

Mr. HAGERMAN: So the first column, under the head of "State," and the second column under the head of "Interstate" are prepared upon the basis that as to train service, yard service, station service and engine service, the state costs twice as much per ton per mile as the interstate, and as to the other items of expenditure, the state costs the same as the interstate: is that right?

A. Yes sir.

Q. When you reach the figures in the second column, for instance, 9.92, 12.37, 11.96, 26.21, the state's percentages for those four different branches of the service, do you reach them in the same way you have reached results before that have been talked about, that is, multiplying something by two, and increasing the total number above one hundred in that way?

A. Yes sir.

Q. So that your total percentages, the aggregate of your total percentages, in the second and third columns, instead of being 100 is how much?

A. In the second column the aggregate is increased from 100 to 115.11; in the third column, it is decreased from 100 to 84.89.

Q. What is the sum of those two percentages, instead of being 100?

A. The aggregate of those two percentages is 200, because I take two tons, for the purposes of this calculation, one state and
6300 one interstate.

Q. Well?

A. Consequently, of that 200, there is 115.11/200 apportioned to state, or 57.55 per cent; and 84.89/200, apportion to interstate, or 42.45 per cent.

Q. Upon those calculations, how much greater is the state's proportion of the total operating expenses, than the interstate's proportion?

A. It is 35.57 per cent per ton per mile.

Q. 35.57 per cent of the total operating expenses?

A. No sir. It is 35.57 per cent per ton per mile more than the cost of the interstate business per ton per mile.

Q. I understand: that is the State's percentage of all the operating expenses, not only those you doubled but all the rest; it is 35.57 per cent greater than the interstate's proportion of the total operating expenses.

Mr. HAGERMAN:

Q. Per ton per mile?

A. Yes sir.

Mr. LADD: Per ton per mile, of course.

Mr. HAGERMAN: That is very different from your question.

Let me understand what you are driving at; you get this up on the theory, first, that this Exhibit 27, Form 1941, is a basis applicable to this Missouri Pacific situation; then you eliminate from it such items as maintenance of way and structures, upon the theory that there could not be any increased expense on those items?

6301 A. I eliminate any increase, but not the items.

Q. And when you get through with it, it works out that upon the whole, taking everything into consideration, every operating expense, including that which ought to be increased for state business over interstate, there is, as a whole, 35.57 per cent greater cost per ton per mile in doing the state business than the interstate?

A. Yes sir.

Mr. LADD:

Q. In your opinion, does the station service cost twice as much per ton per mile on state as on interstate traffic?

A. I should say, on the average, it would. I think that would be a very fair ratio of increase, for the reason that the interstate business, on the average, moves in Missouri twice as far as the state business. There would not be a great deal of difference per ton at the station. I think the time, on the average, required to bill an interstate shipment is greater than the time required to bill a state shipment, because, as a general proposition the clerical force at the station is more familiar with the state rates than they are with the interstate rates. And sometimes the interstate rates are complicated, and they have to spend some time figuring them out, and frequently have to communicate with the home office. But that would be such a small proportion of the whole, that, although as to that proportion I think the expense would be greater on the interstate than on the state, I think it is very fair to say, as a whole, that the station service for state business would cost twice as much per ton per mile as the station service for interstate business.

6302 Q. Take the yard service; in your opinion, does the state yard service cost twice as much per ton per mile as the interstate?

A. No sir; in my opinion, the yard service would not cost twice as much per ton per mile, for the reason that the interstate freight, on the average, has more use of the intermediate terminals.

Q. In your opinion, then, that is a safe estimate?

A. Yes sir.

Q. Take train service; does that, in your opinion, cost twice as much per ton per mile for state as it does for interstate business?

A. No sir, it does not.

Q. Why?

A. Because, in my opinion, the only increase apportionable to train service, applicable to state as compared with interstate business, would be the same as that proportion of the state business which was moved on the local trains in excess of the proportion of the state tonnage to the total tonnage of the state.

Q. What items are included in train service, according to the Missouri Pacific Railway Company's distribution?
A. Exhibit 27 shows that train service includes: Regular time of train men; Over and constructive time of train men; Oiling cars; and other supplies.
Q. Take the matter of engine service: In your opinion, does the engine service cost twice as much per ton per mile in the case of state freight as it does in the case of interstate freight?
6303 A. No sir, it does not, for exactly the same reasons as stated in the case of train service.

Mr. HAGERMAN:

Q. Why did you put the twice in there, if that is so?
A. To be——
Q. Just to be liberal?
A. Not to be liberal, but to show the maximum.
Q. You are not putting it in there as an expression of your opinion, but just for purposes of illustration?
A. To cover what would be what we consider the maximum.

Mr. LADD:

Q. Have you prepared another statement, which I will offer in evidence as Exhibit 26?
A. Yes sir.

Mr. LADD: I will offer in evidence the paper referred to as Defendant's Exhibit No. 26.
Defendant's Exhibit No. 36 is in words and figures following, to-wit:

6304 Mr. HAGERMAN:

Q. As I understand it, in Exhibit 36 you have done the same work as in Exhibit 35, but you do not use the same multiple?
A. We attempt to apportion it as shown by the Exhibits in this case.

Mr. HAGERMAN: I would like to have Mr. Ludlam give, in a general way, how it supplements and fits in with Exhibit 35.

Mr. LADD:

Q. Explain, as briefly as may be, the theory upon which you proceeded in the preparation of Exhibit 35, and how it differs from any other exhibit.
A. Exhibit 36 differs from Exhibit 35 in that in Exhibit 35 it is assumed that the train and engine service cost twice as much per ton per mile in the case of the state business as in the case of the interstate business.
Exhibit 36 attempts to apportion the exact excess of that train and engine service, which is applicable to the state business, as compared with the interstate business, based upon the tonnage of the two classes of trains, as shown by Exhibits 14-*a* and 15.

Mr. HAGERMAN:

Q. With the result that in this exhibit, as to train service and engine service, instead of showing two times as much, it is practically 1.20 times as much?

A. Yes sir.

Mr. LADD:

Q. You spoke about the excess of state freight, in the way or local trains, didn't you?

A. Yes sir.

Q. What did you find, or calculate for the purposes of this exhibit, that the excess of the state freight in the local trains as over
6305 the interstate freight? That is, excess over and above it-proper proportion?

A. 4.67 per cent more of the state business was carried on local or way trains than should have been carried on those trains.

Q. How much should have been carried? How do you get at what should have been carried on them? I do not ask for the figures or percentages.

A. We found out the per cent of the tonnage carried by the local trains of the total tonnage. Then we found out what number of tons that per cent would be of the total state tonnage. Then we took the division of the tonnage carried by the local trains, between state and interstate freight, and so determined what percentage of excess state business the local or way trains carried over what they should have carried, if they had carried their normal proportion.

By "normal proportion" I mean if the loading of the local trains, and the through trains had been divided on exactly the same basis as the total volume of the state tonnage is divided between state and interstate.

Q. Now, let me see if I understand that. For the purpose of illustration, suppose the total state tonnage is twenty-five per cent, and the total interstate tonnage is seventy-five per cent; the state tonnage is one-fourth, and the interstate tonnage three-fourths of the total tonnage?

A. Yes sir.

Q. Do you mean to say that if the freight carried on these local or way trains had been one-fourth state and three-fourths
6306 interstate, that there should be no extra expense charged to the State freight?

A. Yes sir.

Q. That is it, is it?

A. Yes sir.

Q. But because, as a matter of fact, the amount of state freight carried on these way trains is more than one-fourth, and the amount of interstate is less than three-fourths, therefore the state traffic should be charged with an additional cost on account of this excess: is that it?

A. Yes sir.

Q. What did you find that excess to be, in per cents?

A. We found that the local trains carried 4.67 per cent more of the state business than they should have carried.

Q. Look at the first page of this Exhibit 36, and the second paragraph below the first bunch of figures: How many local trains do you have there as the basis of your assumption?

A. One local train a day each way between St. Louis and Kansas City.

Q. In the next paragraph, how many through trains did you take as the basis?

A. Six through trains a day each way.

Q. Why did you assume that number of local and through trains, respectively, as a basis: What authority have you for that?

A. The testimony in this case.

Q. The testimony of whom?

6307 A. Of Mr. Doddridge; he testified that they ran at least six through trains a day each way, between St. Louis and Kansas City; and, as I recall it, he said that in his opinion there would be more than that.

Mr. HAGERMAN:

Q. I would like to ask you, Mr. Ludlam, in Exhibit 35 (which is coupled with Exhibit 36) when you come down to your second set of figures you commence to talk about "ton per mile:" in the first set of figures you give the amount of the different items going to make up the freight operating expenses, as you have them, from Form 1941; that is right, isn't it?

A. Yes sir.

Q. Then your percentages are just calculations showing the per cents of the whole?

A. Yes sir.

Q. Upon what do you bring into the thing the ton per mile? Why cannot you get these percentages, regardless of ton per mile—or would they be the same?

A. Because those percentages show the divisions of each class of operating expenses to the total operating expenses. And the division would be the same, whether applied to the total expenses or the cost per ton mile, or the cost of all ton miles. In other words, assuming for the purposes of illustration, that you had determined that the cost per ton mile was five mills; then, 15.52 per cent of the five mills would be the cost for maintenance of way and structures, included, and so on.

Q. I know how I could work it out. I could work it out on the revenue, or any other basis. But when you are dealing with

6308 percentages, such as your 57.51 per cent, constituting the total Conducting transportation expense. If all those items were subjected to a multiple of twice as much, when you put the ton mile business in, that is something which you add yourself; wouldn't the figures come out just the same if you figured the double cost without regard to the ton mile—or would they?

A. No sir; because the unit for calculation is the cost per ton mile.

Q. That is to say, if you use the revenue basis, it divides itself

on a basis of about 75 per cent interstate, and 25 per cent state, in round figures?

A. Yes sir.

Q. And if you use the ton basis, it divided itself practically the same way, in round numbers?

A. Let me look at Exhibit 19.

Q. It is practically 75 per cent and 25 per cent, isn't it?

A. Yes sir.

Q. And when you come to the ton mile basis, you can figure it so it gives 86 per cent and 14 per cent?

A. You say I can figure it?

Q. You do figure it so by Exhibit 19.

A. The figures themselves show that.

Q. So when you get your Exhibit 35, you are figuring on the basis of 86 per cent interstate, as against 14 per cent state?

A. It is the basis of the actual ton mile, whatever it is.

6309 Q. That is the basis upon which you run it down?

A. You can take your operating expenses on the same basis. The percentages would apply to either.

Q. What I am getting at is, does your example on Exhibit 35, work out by the use of the percentages 86 and 14, on the ton mile basis, as shown by Exhibit 19?

A. No sir. It is not based in any way, shape, or manner on Exhibit 19.

Q. And those percentages of 86 and 14 would have no bearing in reaching the same result as you get in Exhibit 35?

A. No connection whatever.

Q. And it would not bring out the same figures, would it?

A. They are entirely different figures. One is the percentage of tons, and the other is the percentage of cost.

Q. The percentage of tons is 75 and 25; the percentage of ton miles is 86.14; if you use that as a simple example, would it bring out the same figures that you have brought out in Exhibit 35?

A. Those two exhibits have no relation to each other whatever.

Q. I know that. But if you used, in figuring out your Exhibit 35 (And I am only asking it to know if I can figure it with you)—if you would use your percentage of total ton miles found in Exhibit 19, would it bring the same result?

A. If you applied the percentages shown by Exhibit 19, why, you cannot apply the percentage of cost to the ton mile. One has no relation to the other. One simply shows the division of operating expenses; and the other shows the division of ton

6310 miles.

Q. What I want to know is the fact, whether it would bring out the same result. Exhibit 19 shows the percentage on a revenue basis. It shows the percentage on the per ton basis. It shows also the percentage of total ton miles, 86 as against 14. How would the use of these figures, 86 and 14, of Exhibit 19, applied to your percentages on Exhibit 35, bring out the same result, or would they have any connection?

A. It would have no connection whatever. One is the percentage

of the different elements in the operating expenses to the total operating expenses; and Exhibit 19 relates to the revenue and the tons.

Exhibit 35 shows the different items of operating expenses entering into the element of cost per ton. Exhibit 19 shows the per cent of tons.

You can take one ton or one thousand tons, and figure out a ratio of cost, and you will get the total cost of your tons.

Exhibit 35, as stated, is simply a division of operating expenses?

Q. I don't know anything about that refined method of calculating, but I do know that if you apply a multiple to conducting transportation alon*g*, and nothing else,—say, two, you could work out your percentages, and get the percentage of all the operating expenses to be charged extra to the state business.

A. That is what Exhibit 35 does.

Q. If you did it upon the revenue basis, it could be done
6311 upon the figures set forth in your Exhibit 19; if you did it upon the ton basis, regardless of ton miles, you could do it practically upon the basis of 75 per cent and 25 per cent. And it seemed to me that the same result ought to come, as you get in your figures, if you used the percentages on Exhibit 19, of the total ton miles.

A. In the sense you use it, they would have no more connection than the number of tons of coal used in the engine has with the number of times the wheel turns under a box-car.

Q. Mr. Ludlam, in your opinion, is it possible or practicable to ascertain accurately or exactly the increased cost of doing State business over interstate business?

A. No sir.

Q. What approach to accuracy do you think can be made?

A. I think there are certain elements that enter into the question that are more or less a matter of opinion. Such, for instance, as the increased cost of doing business on local or way trains, over the cost of doing business on through trains.

6312 But I think that if you make allowance for all those questions, all of those elements, you can still demonstrate even after making *hte* most liberal allowance for those items that are matters of opinion, and still demonstrate that mathematically the cost of doing the state business could not exceed the cost of doing the interstate business by as much as 50 per cent.

Q. Per ton mile, do you mean?

A. Yes sir.

Q. And you think that within the 50 per cent limit it might be a matter, and is to some extent at least a matter, of opinion?

A. Yes sir. I think I said that as to certain *it* items it is a matter of opinion. But if you allow the most exaggerated estimate of those particular elements that are matters of opinion, you still can not exceed a total maximum cost in excess of 50 per cent on the state business over what it is on the interstate business per ton per mile.

Q. Within that 50 per cent limit I would like to ask you to give such opinion as you may have derived from your investigation dur-

ing these cases, and from any other sources of information
6313 you have enjoyed, if you have not been——

Mr. HAGERMAN: That is objected to because this witness under the testimony is not qualified to express an opinion on that subject.

Mr. LADD: Let me finish my question.

Question continued.

Q. Your opinion as to the extra cost of doing the state business over interstate business?

Mr. HAGERMAN: That is objected to because the witness has not shown himself to be qualified to express an opinion upon that subject.

The MASTER: The objection is overruled.

A. In my opinion the cost of doing the state business is not in excess of 25 per cent more than the cost of doing the interstate business.

Q. Per ton per mile?

A. Per ton per mile.

Q. Certain exhibits have been offered here by the Railway Company, as Exhibit 14-*a* and Exhibit 15, which show the tonnage of both state and interstate freight carried by certain t-rought trains on certain days in December, and also certain local trains on certain days in December, 1906.

Now this information I understand from the testimony was obtained by men who went along with those trains, sent out with the trains: Is that your understanding?

A. Yes sir.

Q. Detailed to go with the trains for that purpose?

A. That was my understanding from the testimony.

6314 Q. Is there any other practicable way of getting that information accurately, as to what makes up the tonnage of particular trains: whether they be local trains or through trains?

A. No sir, there is no other method that is practicable.

Q. Is it practicable to ascertain that information from the books and records of the company subsequent to the operation of the trains and the handling of them?

A. No sir, in my opinion it is not practicable.

6315 Cross-examination.

By Mr. HAGERMAN:

Q. Is the firm of Haskins & Sells a partnership or a corporation?

A. It is a partnership.

Q. What is the extent of your interest in it?

A. My interest amounts to a little over one quarter, about 26 per cent.

Q. In the firm business?

A. Yes, sir.

Q. You are a member of the firm itself and not merely an employé with compensation measured on results?

A. No, sir. I am a member of the firm.

Q. How much of the time, personally, have you spent in these rate cases out here in Missouri?

A. Oh, I should think probably three months' time.

Q. That is, away from your office and here in Missouri on these cases?

A. Yes, sir.

Q. And what has been the nature of the personal attention you have given to them?

A. Well, I have laid out many of the exhibits which have been prepared. I have gone over them with great care. I have conferred with Mr. Taliaferro, who has had direct personal charge of the work. And I have attended all of the hearings or read the testimony in the hearings which I did not attend.

6316 Q. How near did that come to attending all the meetings: Take the Missouri Pacific case, have you attended all the hearings in that case?

A. No, sir, I think the first hearings in the Missouri Pacific case I did not attend.

Q. How many did you miss?

A. As I recall it, about five days.

Q. And of the Wabash case, how much did you spend on that?

A. I was absent at one session of hearings, on the Wabash, which I think was four or five days.

Q. With that exception you were there every time?

A. With that exception I was there all the time.

Q. And how much of the time in the Burlington case were you present?

A. I was absent from one hearing held at Chicago.

Q. How much time was that?

A. I think four, five or six days. In each case, however, where I was absent I have read the testimony.

Q. How much do you charge the state for your services, Mr. Ludlam?

A. $50 a day and traveling and subsistence expenses.

Q. $50 for each day you are away?

A. Yes, sir.

Q. Each day you spend on this work?

A. Yes, sir.

Q. Under you, engaged in this work, who was there? Mr.

6317 Taliaferro was one?

A. Mr. Taliaferro was the man in direct charge of the work. We charge $25 a day for his services.

Mr. LADD: That is objected to. I do not see that it is competent, how much these men are paid.

Mr. HAGERMAN: I think it is very competent how much any witness was paid, who is offering himself as an expert. That is one way to measure a man's character and ability.

The MASTER: I will overrule the objection.

Mr. HAGERMAN:

Q. Beside Mr. Taliaferro what employés have you?

A. We have had Mr. Hamilton.

Q. Mr. Hamilton is a former clerk in the Missouri Pacific office, isn't he?

A. Yes, sir.

Q. At $50 a month?

A. I have not the slightest idea what the Missouri Pacific paid him.

Q. How much do you pay him?

A. $1,820 a year and his traveling and subsistence expenses when away from St. Louis.

Q. Is he now regularly in the employ of Haskins & Sells, or just on this special work in the rate cases?

A. It is our intention to keep him permanently in our employ. He was employed specially in these rate cases.

Q. And so far has devoted his entire time to them?

A. Most of his time. He has devoted some time to one or
6318 two other cases. We have found him such a good man, however, that we expect to retain him.

Q. By "rate cases" I meant not only the Burlington case but the Wabash and as well the Missouri Pacific. I did not mean to confine it to this case.

A. I so understood it.

Q. Did you use him in the Burlington case, too?

A. Yes, sir. We used him at Chicago in the Burlington case.

Q. Who else was there that you had in your employ in doing this work?

A. Mr. R. H. Hudson and Mr. J. D. Buckingham.

Q. Who were Hudson and Buckingham?

A. Two of our accountants.

Q. Employed for this special purpose?

A. No, sir, both are our employés for a great many years.

Q. At what place?

A. Messrs. Hudson and Buckingham are both attached to our Chicago office.

Q. Are they high priced or moderate priced men, clerks merely?

A. We paid Buckingham something over $3,000 last year.

Q. For special work or regular salary?

A. We pay him a regular salary of $2,400 a year. Under our plan of organization we distribute a certain portion of our profits each year to the men attached to our firrm. In that distribu-
6319 tion Buckingham got last year some $780.

Q. I was not trying to go into all the details, because it can be answered by a general question. What I want to know is, are these men high priced men or are they merely employés, clerks?

A. Mr. Buckingham is a man who can take charge of work, and is what we call "an accountant" as distinguished from an assistant accountant, who always works under someone else.

Mr. Hudson is also an accountant. We pay Mr. Hudson something over $2.000 a year.

T. M. Willins — also a permanent employé, and he was also en-

gaged on the work for some time. We pay Mr. Willins $2,400 a year.

Q. Does that cover all the men you have had on this work?

A. I could not say without looking at the records, Mr. Hagerman. But that covers most of the men and covers most of the important men.

Q. In this case Mr. Taliaferro is the man who had main charge of the preparation of the details?

A. He has had direct charge and supervision of the work.

Q. And these other people you have mentioned were assistants under him?

A. Yes, sir, with the exception that when Mr. Hamilton was working in Chicago on the Burlington investigation, and when Mr. Hudson was working in Omaha, we regarded them as accountants in charge of those particular pieces of work.

6320 Q. I was speaking more particularly of the Missouri Pacific case.

A. Both of them reported to Mr. Taliaferro.

Q. So far as the Missouri Pacific case is concerned, Mr. Taliaferro was the man in charge?

A. Yes, sir.

Q. And so far as you, personally, are concerned, you take only the results of the work turned over by these people to you?

A. I was in general charge. I conferred with them. Many of the exhibits which have been submitted in this case were designed by me. I planned many of them.

Q. I understand what you say about planning outlines and the theory upon which they were gotten up: But did you know yourself anything about the figures that went into them?

A. No, sir, most of the detail work was done by Mr. Taliaferro and his assistants, and in some few cases I made the figures myself, but very few.

Q. Can you point out now on these exhibits any figures obtained by yourself?

A. No, sir, I don't think I could.

Q. It was all based upon information furnished you by these clerks or assistants: That is right, isn't it?

A. Yes, sir, I don't know that I can quite say furnished me; but it was the result of their work.

Q. Figures taken from what they had made up?

A. Yes, sir.

Q. Take for instance your examination of the freight busi-

6321 ness of the Missouri Pacific Railway for the month of October, 1905: You were asked by a question calling for an answer, necessarily saying that you had made that examination: Now, as a matter of fact, you have made no such examination?

A. If I said I had made the examination, I used the word "I" in the sense of our firm.

Q. What you meant to say, and that is all I am asking you now, this general way of supervising you have already stated on cross-examination, that investigation was made by these men under you,

the results reported to you, and you in a general way directed the compilation of figures from which these statements were made?

A. Yes, sir.

Q. All you would know about that, covering the entire business, would be from these figures that were furnished by these assistants of yours?

A. Yes, sir, and our knowledge of their integrity and accuracy.

Q. That is, your belief in the integrity of the figures given you by the men you had employed to do the work?

A. Yes, sir.

Q. So when in your testimony you say, whenever it was necessary to insure accuracy of the work you referred the matter back to the original way-bills, you did not mean you went and made such an examination yourself?

A. No, sir, I meant our representatives did that.

Q. That is the way you directed your men to do it, or your men reported to you they had done it?

6322 A. Yes, sir.

Q. When did you begin to make the examination of the two classes of work you did on the Missouri Pacific for the month of October: I believe there was one kind of work gotten up for the first three days, representing certain things for three early days in October, distinguished from one statement, Exhibit 19, comprising the whole month of October.

A. I do not think there is anything in this case about the three days.

Q. I don't think there was an exhibit put in this case, that was in the Burlington case, and referred to in the testimony in this case, and the results of the month's work compiled into Exhibit 19: That is right, isn't it?

A. Yes, sir, but I would like to explain that very clearly, because I do not think the Burlington case is very clear on that subject.

The examination for the month of October was an examination of the way-bills to determine the tons of freight, per ton mile, earnings per ton, and the average distance hauled of each class of freight. That first examination covered the entire month of October.

Q. When you say "first examination" you mean the one you now refer to?

A. Yes, sir. It covered the entire month of October. All the freight handled by the Missouri Pacific, which would in any way touch the state of Missouri, during the month of October.

The three days' examination was subsequently taken up
6323 and was made merely for the purpose of determining the proportions of the different classes of freight which were handled on local trains and on through trains.

The three days' examination had no relation to the month's examination. They are entirely separate and distinct.

Q. I had it in mind that you started on the three days' work and then practically absorbed it and included it in the thirty days' work.

A. I thought last night when I read the Burlington testimony

that it was somewhat vague upon that point. And I wanted to explain that.

Q. I am glad you did because I had the other impression about it.

A. The three days' examination was entirely separate and distinct from the month's examination.

Q. The three days picked out certain points?

A. It included all carload freight billed on October 1st, 2nd and 3rd, 1905. It did not include less than carload freight.

Q. I thought it covered only certain specific stations.

A. No, sir, it covered all.

Q. When did you or your people begin any work on that Missouri Pacific statement: When was that work begun?

A. I think some time in the month of August, but I would not be sure about that without referring to the record.

Q. About how early in August?

A. I would not want to fix a date.

6324 Q. Possibly Mr. Taliaferro can remind you of it now.

Mr. TALIAFERRO: It was after the first Burlington hearing and probably near the end of September.

Q. It was soon after that 17th of September Burlington hearing?

A. Yes sir.

Q. And since that time you have been working upon these Missouri Pacific accounts?

A. Yes sir.

Q. And how long did it take you to complete the thirty days' work?

A. Early in December, 1906.

Q. I understand that. But what I am getting at is, that the basis, assuming the revenue basis is a proper one to start with, to get the start, there is nothing the matter with these figures except in the particular you speak of?

A. Mathematically the figures are correct. It is the principle we object to.

I should like to qualify that and say, with the further exception, that expenses as shown by Page 3 of Exhibit 5-*a* include total terminal expenses at Kansas City.

Q. If you are ascertaining upon the revenue basis, without regard to any extra cost, the method of division suggested there by

6325 Exhibit 6 is all right and mathematically that works out properly?

A. Yes sir.

Q. And the theory of that, assuming a division upon the revenue basis is proper, is to take such proportion of the total expenses as the earnings from the State business bears to the entire earnings of the road in the State?

A. Assuming that is a correct basis, that would be the way to do it.

Q. The next item you would say, even on a division upon the revenue basis, was wrong because it is taxes, and according to your theory it ought not to be charged to expenses, or ought that be included?

A. My idea is it should be included, as a separate item, and shown as a separate item outside of operating expenses.

Q. That is, it is an expense of the property and a burden on the property?

A. Unquestionably.

Q. In your judgment the taxes should be included?

A. Yes sir.

Q. Although they should be separated from the operating expenses?

A. Yes sir. I say so because it is so generally handled in railroad accounting.

Q. Now as to rentals, there is no objection to the fact that rentals in the amounts shown for 1904 and 1905 were actually paid?

A. No sir.

Q. And that we paid to other roads for using portions
6326 of their tracks at certain places, weren't they?

A. Yes sir.

Q. Do you remember the specific places?

A. No sir.

Q. For illustration one was what we call a cut-off where they run over a piece of the Santa Fe in going into Kansas City. As I understand you, there is no objection to the actual payment. Is there any objection to treating that as a part of the whole expenses upon the same basis as you treated taxes, and if so what is it?

A. From an accounting standpoint I know of no reason for treating it differently.

Q. If we were ascertaining expenses on a revenue basis is there any objection to it?

A. There may be some legal, technical reason in this case that I do not understand.

Q. But so far as you understand, or your expertness or accounting goes, although it should be separated from the operating expenses, it is properly charged in the total expenses?

A. Undoubtedly, as a burden upon the property.

Q. Interest upon the bonded indebtedness, for those two years, seems to be the last item set out there: Did you check that to find it was right?

A. Yes sir.

Q. So, assuming that character of obligation should go into the account, there is nothing the matter with that?

A. No sir.

6327 Q. Now I am going to turn with you to your Exhibit 19: In making that Exhibit how did you treat the shipments of live-stock from Kansas City, Missouri?

A. As interstate business.

Q. All of it?

A. All of it. The live-stock shipments into and out of Kansas City, in which Missouri was interested, were treated as interstate business.

Q. As a matter of fact there were no livestock shipments into

or out of Kansas City that were treated by you in that account as state business?

A. No sir.

Q. Have you any statement that would show what Exhibit 19 would have been if you had treated that or any particular portion of it as state business?

A. The first Exhibit that was prepared for the Burlington hearing, I think it was Exhibit 16 in that hearing which covered a portion of the work only, treated that business as state business. But in the final exhibit put in in the Burlington case, Exhibit No. 27, the livestock was all put into the interstate and taken out of the state.

Q. But so far as this case is concerned, there is not anything here except this exhibit (indicating) showing anything about that?

A. No sir.

Q. And it was a very substantial sum of money?

A. Yes sir.

Q. Because the business is very large?

A. Yes sir. The reason I explained that was because you asked if we had prepared any figures which showed that, and I wanted to explain it.

Q. I want you to explain that.

A. Changing that from state to interstate, the interstate earnings per ton per mile were considerably increased.

Q. But if you are wrong about that, every figure in Ex-
6328 hibit 19 is wrong?

A. No sir, I wouldn't say that.

Q. What figure would be right?

A. Less than car-load. I don't think as a rule they ship livestock in less than car load lots. There might be a shipment of one cow or one steer or one horse.

Q. I assume there are a good many shipments. I have received horses myself that came in a car and I know Judge Spencer has driven a good many more than I have and he has done the same thing. So you are not accurate in saying there are no less than carload shipments. But what you mean is that a substantial portion of the live-stock business is in carloads?

A. I did not say there were not any, but I say these figures did not include any. But if you take live-stock out of interstate and put it into state these figures would be changed.

Q. And can you tell me any figures in Exhibit 19 that would not be changed?

A. Yes sir, a great many.

Q. What is one?

A. The total interstate and state tons, total state and interstate revenue.

Q. Total state and interstate tons. Gross interstate and state revenue?

A. Yes sir. The average amount received per ton for all freight from state and interstate. The number of tons one mile,
6329 all freight both state and interstate. The average amount received per ton both state and interstate and the average length of haul both state and interstate. Also all the items shown

in line 6, being the total carloads, and all items shown in line 9, being total less than carloads. Those figures would not change. It would be still a carload whether state or interstate, and still be less than carload.

Q. But everything else would change?

A. Some of these percentages that relate to proportion of carload to less than carload, No. 16, would not change.

Q. Let me see if I understand the basis upon which you prepare your Exhibit 19:

You took the entire business for a month, did you?

A. Yes sir.

Q. And from what was the examination made?

A. From the auditor's freight journal, and the way-bills.

Q. Was there any way by which you could have told, if you had wanted to do it, the number of cars and the number of tons hauled in each car, also as to the different classes of freight you could have found out the amount of waste tonnage of waste space?

A. That could have been done as to carload freight.

Q. But you didn't do it?

A. No sir, it never occurred to me until this minute. It would have been an excellent thing to have done.

Q. Why would not that have been an excellent thing to have done, to aid in your accuracy, if you had dealt in that same way with the less than carload?

6330 A. That would not have been practicable.

Q. Why not?

A. Because so many different shipments go into the same car.

Q. That is to say, take a less than carload car starting from St. Louis to Jefferson City, they may be shipments going to different points along the line, so that the same stuff would not be in the car at the journey's end.

A. Yes sir, that is one reason. It changes so often, and also, it would be almost an impossibility to allocate the different way-bills to the different cars into which they went. To get the waybills together to apply to one car, there might be 100 or possibly more filling that car. It would be almost impossible to sort the particular way-bills that apply to that car, out of the great mass of waybills the company has.

Q. After all, if you have the way-bills and have the books and documents showing the destination, the weight and capacity of the car, it is only a question of labor to get that information?

A. As to the carload, yes.

Q. As to the less than carload?

A. No sir.

Q. Why isn't it?

A. I don't believe, to start with, it could possibly be done accurately as to less than carload, from the records in the Auditor's office, and I think your own auditors would tell you that.

6331 Q. What else would you have to know to do it accurately? I say it is just a question of the work involved. If you had wanted to do it for three days instead of thirty, what would you do?

A. There might be a car on the Missouri Pacific that would run in a local or way train between St. Louis and Pacific Junction every day in the month; say, Missouri Pacific Car No. 761. Now, you would have to go through all the way-bills of the Missouri Pacific Railway for the period you wished to cover, and pick out all those waybills which showed that freight was carried in Car No. 761. And after you had done that, I am not sure, after you had gotten all the waybills, say five thousand out of five hundred thousand on file, I doubt if you could allocate the waybills of the 7th inst. to the movement of Car 761 over the road on the 7th inst., because that freight might have laid on the station platform until that car came along on the 9th or the 11th.

Q. None of those difficulties would exist as to carloads?

A. It could have been done as to carloads.

Q. It was not done?

A. It was not done. I don't think it could possibly have been done as to less than carloads.

Q. In getting up this statement Exhibit 19, you did nothing, then, about making any estimate of the number of trains, or the number of train-miles?

A. No sir.

Q. What division upon train miles, or estimate on a train mile basis, which you hear frequently spoken of in railroad circles?

6332 A. Revenue train mile basis.

Q. Upon the basis of train miles, of trains earning revenue, as distinguished from empty cars being hauled: Isn't that the difference between the revenue train miles and the other kind?

A. Yes sir, that——

Q. How do you arrive at the revenue train miles?

A. That would be one definition, and the other would be "trains hauling company freight." That is usually what is meant by "non-revenue."

Q. Either absolute empties—or that is hard to conceive.

A. There are very few of those. Some few through trains might run that way.

Q. Call it "revenue train mile": If you wanted to make up a statement on the basis of revenue train miles, how would you ascertain it?

A. Get the revenue train mileage and divide it into the revenue.

Q. In getting up figures for Exhibit 19, did you prepare any figures on that score?

A. No sir, we did not treat with revenue train mileage in any way.

Q. What you did by Exhibit 19 was, you undertook to make a compilation, based upon your examination for the month of October, of the freight, and in Column No. 1 you set out the number of tons handled in Missouri, dividing the interstate and the state each into carloads and less than carload lots?

A. Yes sir.

6333 Q. Now, when you get in the tonnage hauled, what was the percentage—If you were going to divide your expenses in

accordance with the number of tons hauled, what proportion of all the expenses ought to be charged to the freight?

A. You said tonnage hauled: You mean the number of tons?

Q. Yes.

A. If you were going to divide your expenses on the number of tons handled?

Q. Yes.

A. In the proportion of 75.26 of the total operating expenses to interstate, and 24.74 to the state business, if you divided it on a tonnage basis.

Q. That percentage is shown in Column 2 of Exhibit 19?

A. Yes sir.

Q. In Column 3 you have the gross revenue?

A. Yes sir.

Q. That is, everything received from state and interstate business, subdivided the same as you subdivide the tonnage?

A. Yes sir.

Q. And in Column 4 you have the percentage of total revenue?

A. Yes sir.

Q. What is that?

A. The percentage of total revenue from interstate freight is 74.27, and from the State freight 25.73.

Q. And what is the percentage as compared with that of
6334 the tonnage, practically the same, isn't it?

A. Practically the same.

Q. So that if the expenses were divided upon the basis of the revenue, or upon the basis of the tonnage, practically twenty-five per cent would go to the state, and seventy-five per cent to the interstate; that is, they are pretty near together?

A. Yes sir, if divided on that basis that would be the apportionment.

Q. So that if Mr. Sturgis' example for ascertaining the increased cost is the one to be applied, it could be applied by using his multiple either upon the percentage on the tonnage basis, or upon the revenue basis, couldn't it?

A. No sir, his example had no reference to the tonnage basis.

Q. It was upon the revenue basis; but the same result practically, would come by using the tonnage basis?

A. If the tonnage is the same as shown by Exhibit 19.

Q. Assuming for the purposes of this examination that your figures are correct.

A. The result would be practically the same. I did not mean to question the accuracy of this, as to whether they would apply to the Burlington. I think they would, in general. There are, however, some small differences.

Q. That is to say, if it cost three times as much to do the state as to do the interstate business, upon this Exhibit 19 practically fifty per cent of the expenses should be charged to state,
6335 whether you do it upon the tonnage or upon the revenue basis; isn't that right?

A. If you apportion the increased expense upon the tonnage or

upon the revenue basis, without regard to the distance hauled, that would be correct.

Q. When you deal with the average amount received per ton of freight handled, in this Exhibit 19 what is the difference between state and interstate?

A. In the case of carload, or less than carload, or all?

Q. Take it for all.

A. Not very much. In the case of interstate it is 82 cents and a fraction, and in the case of state it is 86 cents and a fraction per ton.

Q. Take it for the whole business, state and interstate, it is 83.29?

A. Yes sir.

Q. In other words, the interstate is a little less than the average, practically one per cent less than the average?

A. One cent, not one per cent.

Q. One cent less?

A. Yes sir.

Q. And the state is three cents more, practically?

A. Yes sir.

Q. So when you take the average amount received per ton, there is not any substantial difference between the state and interstate business?

A. No sir, it is very similar.

Q. But when you get it reduced down to the amount received per ton per mile, your average system results in the inter-
6336 state receiving about one-half as much as is received from the state?

A. A little less than one half as much per ton per mile.

Q. How do you account for that difference?

A. That the interstate freight is hauled farther, on an average, than the state freight.

Q. The additional haul makes the difference?

A. Yes sir.

Q. Let me apply Mr. Sturgis' case example to your percentages, based upon the ton mile theory: That is to say, if you divide expenses in the proportion of the total tons per mile of the state and interstate, what is the division? That is your Column 7?

A. Column 7 shows that 86 per cent, roughly, of the ton miles, were interstate.

Q. And 14 per cent, roughly——

A. Yes sir, were state freight.

Q. If Mr. Sturgis' method of computing was right, you would multiply fourteen by three, which would make forty-two?

A. As I recall Mr. Sturgis' testimony, he would multiply by three to seven, or both.

Q. Take it by three: three times fourteen would be forty-two?

A. Yes sir.

Q. Add that to 86, makes 128?

A. Yes sir.

Q. And that would leave to apportion, upon that basis, 42/128 of all the expenses to the state business?

A. Yes sir.

6337 Q. In percentages, what is that of the total?

A. Thirty-two and a fraction per cent.

Q. As against fifty per cent, if you would make that same division, and work that same example upon the basis of revenue or total tonnage?

A. If you multiply the tonnage by three it would be fifty.

Q. I thought you said that was the right way to do it?

A. I said that was mathematically correct. It was simply questioning whether you multiply by three or seven.

Q. If you are given the multiple——

A. Of three.

Q. If we were absolutely together on the proposition that it costs three times as much to do the state as to do the interstate business, Mr. Surgis' method of doing that example is right?

A. Three times as much in proportion to revenue—yes.

Q. And you can apply that example either to the ton mile basis, or to the tonnage basis, or to the revenue basis: it is just a matter of mathematical calculation?

A. No sir, I don't think that at all. You can apply it to anything. You can apply it to the number of men in St. Louis. But, if you want to apply it correctly, you apply it only to the ton mile basis.

Q. Applying it to the ton mile basis, assuming you are right in your Exhibit 19, it would result that on the revenue basis fifty per cent of the expenses should be charged to State, whereas upon

6338 the ton per mile basis thirty-two per cent should be charged?

A. Yes sir. That is, at the ratio of three to one. That is, the state costing three times as much as the interstate.

Q. Now, at one and a half times, what would it work out in those examples, seventy-five and twenty-five I think we have been using for the others, as round numbers?

A. In the case of per ton per mile, it would be nineteen and a fraction per cent; in the case of the revenue and the number of tons, it would be thirty-three and one-third per cent.

Q. How would you figure, if you were going to find a valuation of the property in Missouri, to assign to the freight business upon which you were entitled to a return; how would you divide the total valuation in the state—how do you divide it?

A. To find out the proportion applicable to the local freight business?

Q. Yes. We have got property in the state: We have so much, as it is used in the passenger business; and used in interstate, and used in state business. How do you figure the property upon which we are entitled to have some kind of a return, in the transportation of state business: Have you made any figures on that?

A. I have not.

Q. Have you any idea as to how that should be divided?

A. I would want to think about it a little.

Q. Haven't you ever thought about it in all this litigation?

6339 A. Only in the most superficial way.

Q. What is your idea about what we should have a return on? Would you allow anything?

A. Oh, yes, unquestionably.
Q. What?
A. I think that is a legal question, and not an accounting ques-
A. I am perfectly willing to give my opinion if you wish it.
Q. I think there is a good deal you have testified to, that I might was a legal question, but you are here as an expert, and your nions are entitled to respect.
A. I will be very glad to give an answer.
If I made a division, I think I would apportion it on the basis the gross revenue.
Q. Why would you apportion it on the basis of the gross revenue?
A. Well, because—It does not seem a very good explanation—because it is the simplest method.
Q. That is one good reason. And another good reason is what?
A. It is the most direct method.
Q. It is the most direct method of arriving at practical results, ing everything into consideration. You have a whole property the state, and you get a whole return. That comes pretty near, your opinion (upon a division of what you get a return on) to ng a fair and good way to divide it, doesn't it? First, because is simple?

A. I don't know that that holds, Mr. Hagerman.

40 Q. The simplicity of it, there is no question about?

A. There is no question about the simplicity.

Q. What about the fairness? What objection is there to the fair-ss?
A. I am speaking in the most superficial way; but there is this ob-tion that occurs to me: The net earnings have something to do th it, as well as the gross earnings. If you have that track there, d do ten dollars worth of business, and it costs you nine dollars to it, you earn only one dollar from that business. And, from an-ier kind of business you earn ten dollars, and it costs you six dol-s to do it, you really earn four dollars on that business. It is a estion whether you ought to divide it half and half, because one rns you four times as much as the other.
Q. You never heard of its being divided except in the way of which u spoke, that is, upon the gross revenue basis?
A. No sir. I don't think I have ever heard of it being divided at , Mr. Hagerman.
Q. It is quite a problem to make any division between these differ-t interests: I want your reasons, if you have any. Have you any ier observations to change the opinion you have expressed, that it ght to be done upon the gross earnings basis?
A. I don't want you to construe that as meaning that I think that the way it ought to be done.
Q. You said in your judgment it would be right, didn't you?

A. No sir.

41 Q. Do you want to express an opinion that it should be done in some other way?

A. I want to say that without giving it some further thought, I

would not want to say that. But the simple way would be to divide it on the basis of gross earnings.

Q. And so far as you can see that would be the way you would do it, if you were doing it now?

A. If I did it off-hand. But if a matter of that importance were left to me I should not do it off-hand.

Q. Let us go a step further: Do you know that the value of this whole road in Missouri is $60,000 a mile. Dividing it upon the gross revenue basis, assuming your figures were correct, would practically be 25 per cent, or $15,000, of that to the local or state freight, wouldn't it?

A. I don't think that much, but I have not those figures. I should say, off-hand, it would not be anything like that, because the local freight earnings, as I recall it, are only 27 or 28 per cent of the gross freight earnings, and then of course there would be the passenger and mail earnings.

Q. What per cent of the whole is it?

A. It would be about 20 per cent, roughly.

Q. And upon the basis of $60,000, that would be about $12,000 a mile?

A. Yes sir, roughly.

At this point recess was taken until two o'clock.

6342 After recess on Thursday, February 28, 1907, the following proceedings were had:

The cross-examination of C. S. LUDLAM continued by Mr. Hagerman:

Q. Regarding Exhibit 19, about which we were speaking before recess, the first column deals with the number of tons?

A. Yes sir.

Q. That means the number of tons of local freight that was actually carried in Missouri?

A. Yes sir.

Q. And that was obtained how?

A. By abstracting the way-bills.

Q. And you included in that, did you or not, the tonnage of the company freight that was carried?

A. No sir, this is revenue freight only.

Q. Revenue producing freight?

A. Yes sir.

Q. The second column "percentage of total tons": That is to say, on each line you set out the figures representing the per cent of the total number of tons carried in Missouri that was carried of that particular class?

A. Yes sir, of the total number of revenue tons.

Q. In your revenue what did you include, the gross earnings of the revenue freight: What did you include in the term "freight": Was there any revenue from switching, demurrage or storage?

A. No sir, not in this.

6343 Q. Any revenue from mail or express?

A. No sir.

Q. Any revenue from miscellaneous earnings?

A. No sir.

Q. Was there anything else that you included or assigned to state or interstate business respectively, different from what was assigned in Exhibit 5-*a*?

A. Now in the gross earnings. There were certain charges made against the gross earnings which were not apportioned against the revenue, in Exhibit 19.

Q. What were they?

A. Switching charges and transfer charges and small items of that nature.

Q. What did you do with them? Eliminate them from revenue?

A. I was going to say, which were paid by vouchers and it would have involved a large amount of work to go through all those vouchers and attempt to apportion the charges against the specific freight. In fact, I question whether it could be done. It would amount to only a small fraction of one per cent. Yes sir, we eliminated those and paid no attention to them. We based this entirely on the way-bills.

Q. That was just the revenue as shown by the way-bills?

A. Yes sir.

Q. I see the total is $508,542.46.

A. Yes sir.

Q. Upon that basis for 12 months what would it be?

A. Something over $6,000,000.

6344 Q. Something over $7,000,000, wouldn't it?

A. No sir, something over $6,000,000.

Q. Figure that for a moment.

A. (After figuring) $6,102,509.52.

Q. How much more was that than the earnings for 1905, from all freight?

A. About $450,000.

Q. It would be more than that, wouldn't it, because, there is $256,715.32 in 5-*a* that comes from "services incidental to freight traffic" which you did not include?

A. Yes sir. It would be nearly $700,000 then.

Q. In excess?

A. Yes sir.

Q. And how much in excess of the earnings in 1904?

A. A little less than $500,000.

Q. In assigning certain gross earnings to the interstate business, upon what rule did you do that?

A. Upon the mileage basis, where it was interstate.

Q. Where it was interstate?

A. Yes sir. The revenue was divided between the states on the basis of the road mileage, the mileage travelled by the freight.

Q. If for instance freight started from Indianapolis to go to Jefferson City, you would assign to Missouri such proportion of the total

mileage that that freight was carried, as the number of miles in Missouri bore to the whole distance?

A. No sir, not where it crossed the Mississippi River. That would be based upon Mississippi River rates. There would be a
6345 special division there applicable to Missouri.

Q. What is the difference between the way you separated state and interstate and the way the company did in the compilation of its statement?

A. None. They are exactly the same.

Q. In every respect is that true?

A. Yes sir, I so understand.

The MASTER:

Q. You made no criticism of the methods pursued by the company in apportioning the freight between state and interstate?

A. No sir, we followed their methods. In the case of the Missouri Pacific Railroad we made no criticism. We adopted the company's methods.

Mr. HAGERMAN:

Q. Now this "average length of haul of interstate business," which is in column 9 of Exhibit 19, how is that arrived at: or, rather, what does it represent? The average length of haul entirely in interstate business, or the part in Missouri only?

A. The part in Missouri only.

Q. There is a large amount of freight in the interstate carload tonnage saved from Kansas points to the south for export, and freight from the south to points in Kansas, of which Missouri gets a 27 mile haul, isn't there?

A. Yes sir.

Q. About how much of that is in your statement?

A. I could not say, Mr. Hagerman, off-hand. I would have to look that up.

6346 Q. How did you deal with that? Allow it the 27 miles?

A. Yes sir.

Q. That would have a tendency to cut down the average length of haul?

A. Yes sir.

Q. And the average earnings on the interstate carload business?

A. No sir, I do not think it would reduce the earnings per ton per mile, because I think those earnings would probably average the same as other interstate earnings, taking all of the freight into consideration.

Q. Pass to your Exhibit 20: What is it that is supposed to represent?

A. That is supposed to represent the total carload freight on a ton mile basis handled in Missouri by the Missouri Pacific Railway, as the result of waybills made on October 1st 2nd and 3rd, 1905. We separate that tonnage between through interstate, second-class interstate, and state.

Q. That is to say, in Exhibit 19 you treated interstate as a whole, without any subdivision as between the two classes?

A. Yes sir.

Q. And when you came to classify for the three days in October, you made the separation?

A. Yes sir.

Q. Why didn't you make the separation for the entire month?

A. Because when we started on the month's work the
6347 question of there being a division in interstate freight as between "through interstate" and "second-class interstate," had not been raised. And before that question was raised in the Burlington hearing in Chicago, we had done about one-half of the work involved in Exhibit 19. And on account of the time required to go back and do that portion over again, we continued Exhibit 19 as it had been started.

Q. What were the total ton miles for the month of October, for all the freight?

A. 56,318,587.

Q. And for three days what would that make?

A. It would make about 1/10. Three days would be about 1/10 of thirty days.

Q. That is to say, for three days, upon the figures you have in Exhibit 19, it would be over 5,630,000?

A. Yes sir.

Q. And on October 1st, 2nd and 3rd it runs to only 3,600,000?

A. Yes sir. The three days' statement covered by Exhibit 20 does not include any of the less than carload freight. Exhibit 19 includes both carload and less than carload.

Q. Exhibit 20 is limited to carload freight?

A. Yes sir.

6348 Q. Both you and Mr. Doddridge spoke about a certain class of freight in which six tons would be carried in cars with a capacity of thirty tons—I may be wrong about those figures, but you understand what I mean?

A. The difference would be between the minimum and the maximum.

Q. What was the difference between the minimum and maximum in tonnage?

A. The maximum capacity varies with the car.

Q. What is the difference in the cars? On live stock you take the minimum on a 36 foot car. What is the maximum car in size?

A. I can not tell you that.

Q. What is the difference between the maximum and the minimum weights of the 36 foot car, as prescribed by the Board of Railroad and Warehouse Commissioners?

A. I can not tell you that.

Q. In all the other cases, except live stock, you figure on the carload minimum fixed by the Act of 1905, don't you?

A. Yes sir.

6349 Q. What is the maximum?

A. The maximum will vary from being the minimum in some cases up to 80,000 pounds, or possibly one hundred thousand

pounds. I do not think, however, you have any one hundred thousand pounds cars on the Missouri Pacific.

Q. What effect would it have upon these figures if you carried more than the minimum weight in these cars. Would it increase or decrease your figures?

A. I think per ton per mile it would be about the same.

Q. That is to say, if the car had a great deal more waste space capacity, which you actually filled, there still would not be any difference per ton per mile?

A. If the rate is the same, and my impression is—I am not sure of that—the rate of excess over the minimum is the same; if so, then the earnings per ton per mile would be the same.

Q. It would not be affected at all?

A. Not the rate per ton per mile.

6350 Q. What magic is there in the words "per ton per mile" in that situation? Is there any other way of figuring it? How about the gross revenue, or the revenue per ton?

A. The revenue per ton would be the same, if the revenue per ton per mile would be the same. On that particular item you speak of, the earnings per car, of course, would be different.

Q. The earnings per revenue train mile would be considerably different?

A. A good many other questions would enter into that.

Q. It would be different?

A. If you handle the same number of cars on a train, the earnings would be different.

Q. Have you any figures showing what the interstate rate is for horses and mules, for any of these distances that you have tabulated here in Exhibit No. 23?

A. There are no interstate rates that are fixed. What I mean by that is, the interstate rates vary with almost every shipment. It is the proportion which happens to be allotted to Missouri, apportioned over the mileage the shipment represents.

Q. However it is shown, and whether you say there is or is not an interstate rate, have you anything we can set opposite these items, "Horses and mules," for the respective distances set forth in the first column "Amount received for interstate shipments per ton per mile.

A. No sir, only the figures shown by Exhibit 19, which is "All freight."

6351 Q. And that would be simply an average?

A. That would be an average.

Q. An average of all classes of freight?

A. Yes sir, an average of all classes of freight

Q. What are some of the cheaper commodities, so far as the production of revenue per ton per mile to the railroad company is concerned? What is the stuff for which they receive the least revenue per ton per mile?

A. Coal, I guess, would be the least.

The MASTER:

Q. Of the commodities included in the Act of 1905?

Mr. HAGERMAN: No sir, of all commodities.

A. Lumber would be cheap.

Q. What else?

A. There are some of these things in the Act of 1905. Some of your cement rates in Missouri are very cheap.

Q. That is where we are charging less than the Act allows, for certain reasons?

A. Yes sir. Stone, sand and that class of commodities.

Q. For a distance of twenty-five miles, horses and mules, what in your judgment, even if you haven't any figures, would be the interstate rate per ton per mile?

A. On horses and mules?

Q. Yes. Start one mile east of East St. Louis, and take it out to Pacific, and get it within the fifty mile limit, and how would it compare?

A. I cannot give you any basis on that. But I would say, take all the interstate shipments of horses and mules made by the
6352 Missouri Pacific during the year 1905, and you would find the revenue per mile was less than the rates fixed by the Act of 1905.

Q. But there would not be any such difference as you have noted in this last note?

A. No sir, I don't think there would be such a difference.

Q. In this tabulation you have made here, there is no way of averaging, because this is entirely theoretical, and made upon the Act?

A. I do not think you can quite say it is theoretical. I think it is fixed by the Act, definitely.

Q. That is what I would call theory, as distinguished from fact. I am not saying that in the sense that it is not mathematically in fact based upon the Act; but it represents a theory. That is to say, you have not anything to show how these different classes of commodities were shipped, and what proportion of the whole went twenty-five miles, and what proportion went three hundred and fifty miles, have you?

A. No sir.

Q. So you could not give us even an average on these commodities?

A. Exhibit 19 shows the average distance of all the freight.

Q. That is all carload stuff, but not these commodities?

A. No sir.

Q. And so, if you had desired to compare on Exhibit 23 the revenue per ton per mile, that could have been received under the rates fixed by the Act of 1905, according to the theory you
6353 have adopted, with the actual rates that for those distances were received on interstate shipments in Missouri, it would have been only a question of work for you to have done that: is that right?

A. Yes sir.

Q. And it would have been a very different result than what is shown by Exhibit No. 23?

A. It would not have any relation to Exhibit No. 23.

Q. But it would be a very different result than that shown by Exhibit No. 23, which contains the poison, to my mind, contained in your last note?

A. No sir, it would be less.

Q. You still think it would be less than 6.67?

A. Yes, including cement, sand, stone, etc., upon which you have pretty low rates.

Q. Regardless of whether less or more, or whether to get it less, you had to adopt an average by putting in some other commodity, the comparison would not be anything as compared with the right figure; if you compared it in that way, it would have changed the entire structure of the document?

A. It would be an entirely different document. It would not change this document. But if you had the revenue of these different classes, to compare, undoubtedly many of the comparisons would be different from these figures shown by Exhibit 19.

Q. And would render the last note on the page a nullity, and dispense with it altogether.

6354 A. It might change it. You might dispense with it.

Q. Dispense with it, because it would show a different figure, whether greater or less?

A. If you compared each item, there would be no object in comparing the whole.

Q. And the comparison of each item was only a question of work?

A. That is all. The more thoroughly you go into these things, and the more detailed analysis you have, the more exact comparisons you can have, of course, and the nearer to the facts you can get.

Q. Let us take this thing of a comparison on a ton mile basis between state and interstate, for just a moment, Mr. Ludlam: the only thing you compare is the number of miles in Missouri?

A. Yes sir.

Q. With the number of miles of state freight carried?

A. Yes sir.

Q. Of course that has got to be in Missouri?

A. Yes sir.

Q. Is that a fair comparison per ton per mile, assuming the shipment came one thousand and fifty miles outside of the state and one hundred and five miles was inside the state?

A. Yes sir. My idea is that by reducing it to a per ton per mile basis, you equalize that difference.

Q. But whenever you reduce it to a per ton per mile basis, the longer the haul the less the amount per ton per mile in the

6355 way of expense?

A. Up to a certain limit. There is a limit to that decrease in expense.

But I would not say there was a limit to the decrease in the revenue.

Q. What looks wrong to me is that the haul may be 1050 miles outside of the state, and 105 miles inside of the state, and you com-

pare with your 105 miles, and eliminate nine-tenths of the whole haul.

A. No sir, pardon me.

Q. Why don't you?

A. That is what you wanted to do this morning when you wanted to make your comparison on the ton basis. Then you were comparing a ton hauled 105 miles with a ton hauled 50 miles. But when I reduce it to per ton per mile, I get a common unit which permits an intelligent comparison, in my judgment.

Q. What would you give as the total terminal charge?

A. I estimated it roughly, speaking of the originating and terminating terminal from seven to ten cents per ton.

Q. Calling it ten cents, to make it in round numbers, the longer the haul, the more that is distributed?

A. Yes sir, there is no question about that.

Q. Take it for a haul of one hundred miles, that would be what?

A. One tenth of a cent per mile.

Q. Suppose it went one thousand miles, what would it be per ton per mile from the distribution of that item alone?

A. That one particular item would be one one-hundredth
6356 of one cent.

Q. Does it make the same difference about the distance you go, about working out that expense per ton per mile?

A. Not in the revenue. You were talking about revenue in Exhibit 19. It does in the expense, up to a certain point. But there would be very little decrease per ton per mile in the expense of a shipment that went one thousand miles, as compared with a shipment that went, say, two hundred miles.

Q. Let us go back for a moment to Exhibit 23.

A. I think there is a limit to your decrease of expense, and when you take into consideration only that originating terminal, you take only a feature of the cost, because that interstate shipment going one thousand miles, if you please, is running into another terminal every one hundred miles; and, while that terminal expense is not as great as that of the originating or terminating terminal, it is still a large item.

Q. That is a question of the comparison of amount; but as between two fixed terminals, which you distribute over the system, it does seem to me that the entire vice of your comparing expenses in the manner in which you do, lies in the fact that you do not recognize that the longer your haul the more you distribute per ton per mile, and lessen the cost on the interstate shipment.

A. I beg your pardon, Mr. Hagerman, but we do in exhibits we have prepared. We allow for all that. And we make, what we consider, according to our judgment, a very liberal allowance.

6357 Q. I will take, then, instead of your ten cents that we used for purposes of illustration, five cents, as the extra cost of those fixed terminals, for what it would be over your interstate shipment. That five cents would be apportioned in the same way.

When it went on an interstate shipment, going one hundred miles, it would be how much? One tenth of that?

A. One-one-hundredth of that.

Q. Take it for ten miles first. What would it be for that?

A. It would be one-tenth of that for ten miles.

Q. And it is distributed into one one-hundredth part, if it went one hundred miles?

A. Yes sir.

Q. Now let us see if the question of distance does not enter into the rate: Isn't it the whole theory of the Act of 1905 that the longer the haul the less the rate per ton per mile?

A. Yes sir.

Q. Does not the question of distance enter into the question of rates?

A. Unquestionably.

Q. I observe in the first item of Exhibit No. 23, Horses and Mules, that it costs so much for twenty-five miles, and so much for a hundred miles, and so on.

A. Yes sir. I do not wish you to misunderstand my statement. What I said was, that that decrease in expense per ton per
6358 mile ceased after it reached a certain distance. I do not mean to say that the terminal expense per ton per mile is not greater on a shipment that goes five miles than it is on a shipment that goes fifty miles. But I do mean to say that after a shipment goes a certain distance—I won't say what that distance is—but assuming it roughly to be somewhere between two hundred and three hundred miles, the expense per ton per mile does not decrease beyond that point.

Q. But, as a matter of fact, when you come to charge your expense, or your receipts—Take the case I illustrated of 1050 miles outside the state and 105 miles inside the state, there is ten per cent of it practically from outside the state, and that cost has been distributed over the entire distance, thereby you do not charge, and the account does not stand the same, as if that started just across the state line, and went 105 miles in the state?

A. Mr. Hagerman, I do not think any freight gets on to the Missouri Pacific Railway in Missouri, from St. Louis, that does not have almost as large a terminal expense out of St. Louis as it does at the point of origin, whether that is one thousand miles east or one hundred miles east.

There is hardly any interstate freight on the Missouri Pacific Railway, passing through the state, originating in the state and terminating outside the state, or vice versa, that does not use the Kansas City or St. Louis terminals—practically none. Of course, those are the extensive terminals of the Missouri Pacific Railway.

In my judgment, it costs a good deal more to handle a
6359 carload or a ton of interstate freight at St. Louis or Kansas City, than it does a carload or a ton of state freight at any of the smaller stations in this state—on the average.

Q. I am talking about interstate shipments, and I will give you a concrete case at Kansas City: Take, for instance, a shipment com-

ing in on the Milwaukee line, which terminates at Kansas City, and which is going to Denver by the Union Pacific Road. There is, of course, some service in delivering that car from the Milqaukee to the Union Pacific Road?

A. Yes sir.

Q. The result is that at the track connection that car has to be put into the Union Pacific train, and away it goes?

A. If it does, that is the first case I ever heard of.

Q. Well, what is it that is done?

A. The car would be taken out of the Chicago, Milqaukee & St. Paul train, inspected, oiled, and set on a siding until a train would be ready to put it in, and then it would be switched into that train.

Q. Outside of the inspection of the car, I don'- see any difference between what I said and what you say.

A. I would like to continue my answer, to get it straight.

Q. Go ahead.

A. Missouri would be allowed twenty-seven miles, on a mileage basis. Whereas, all the terminal expenses at Kansas City, which unquestionably would amount to a large part of the twenty-seven miles' revenue, is chargeable to Missouri.

Q. I wasn't going to give the twenty-seven miles' revenue,
6360 because it cuts no figure. But I was talking about the Union Pacific Railroad, that would not have one-half a mile in Missouri.

Mr. LADD: Mr. Hagerman said Union Pacific Railroad, and not Missouri Pacific.

Mr. HAGERMAN:

Q. I am not quibbling with you, or trying to put it on the basis of there not being the question of inspecting the car; but when the Milwaukee car got there into Kansas City, the thing it did was to set the car out and on to the track connection of the Union Pacific road, and that was the end of it, outside of the incidental services, in the way of oiling and inspecting the car, to see it was all right?

A. That is the expense you say the Milwaukee Company would have?

Q. I don't care who would have it; that is the terminal expense upon that property at Kansas City, that would be distributed in some kind of form upon the entire line of the shipment from Chicago to Denver: that would be true?

A. No, sir, it would be distributed only between the last terminal and the next terminal, if it were an interstate shipment going one thousand miles.

Q. What I want to get at is the difference between that and the terminal charge on the shipment originating at Kansas City: For instance, take a shipment originating at a packing-house, probably two or three miles away from the Milwaukee tracks. They want to send in a Milwaukee car for a load of meat. It has to be hauled that distance; the car has to await the convenience of the
6361 packer to be loaded; it has to get back to the Milwaukee tracks, and after it gets back to the Milwaukee tracks, and

before it starts out, won't there be all the expense that was attached to the other car, and also this additional expense, in the local shipment?

A. The additional expense, in my judgment, on the average, speaking generally, and broadly, and not applying it to any particular case, would be the additional expense of setting out an empty car for the loading. I think that is an additional expense at those stations, applicable to freight originating or terminating at those stations, which does not apply to the through freight.

Q. What I am getting at is, suppose that that additional item of expense—and call it ten cents for purposes of illustration (as for that purpose we can call it what we please), and if that shipment was going one hundred miles, one tenth of one cent per ton per mile would be distributed through the one hundred miles, wouldn't it?

A. Yes sir.

Q. If it were going one thousand miles, it would not be one-hundredth, would it?

A. That particular terminal would not.

Q. How much less would that be?

A. That would be one-hundredth of a cent per ton per mile. But that particular shipment, going one thousand miles, would run into another terminal, and another, and another, and so on.

Q. In order to get it down to where we won't have so many terminals, let us put it at two hundred miles: then what
6362 would be the difference?

A. If you apply that one terminal expense against a shipment going one hundred miles, it would be one-tenth of a cent per mile.

Q. And one half of that, if going two hundred miles?

A. One-twentieth of a cent per ton per mile.

Q. Under your system of figuring, you would apply that one-twentieth of a cent, because the average is one hundred miles in Missouri, wouldn't you?

A. Where we figure the expenses, we estimate that the terminal expenses are twice as much on state freight per ton per mile, as on interstate, for that very reason.

Q. I am trying to get at it without any estimate or assumption that it costs more: but, whatever there is in the way of fixed terminal expenses for an interstate shipment, that is distributed, as a practical result, on the per ton per mile basis, in accordance with the number of miles carried?

A. Unquestionably.

Q. And the longer the distance, the less per ton it costs.

A. The less per ton per mile for the originating terminal expense; after a certain distance I would not say they would decrease.

Q. Up to a certain distance?

A. Yes sir, up to a certain point; I concede that. I have made that statement.

Q. I think you will concede anything that is fair, if you think it is fair.

6363 A. I make the statement. I did not mean it as a concession.

Q. I am dealing with you as an honest man, only trying to express your opinion; and when we get through we will know what our differences are.

In that way you have distributed your extra terminal cost, whatever it may be, and reduced it in accordance with the number of miles run?

A. Yes sir.

Q. But when you come to tabulate it, in your estimate, you allow only 105 miles, and let the per ton per mile basis is figured out on the long haul: isn't that the necessary result?

A. Speaking of expense or revenue?

Q. Either one. I am speaking of expense now.

A. Exhibit 19 does not have anything to do with expense, nor does Exhibit 23.

Q. I don't care what exhibit it comes in. It is material to my question. We will deal with it from the standpoint of expenses: isn't that the result? On the basis of having gone 105 miles in Missouri, you have charged to us per ton per mile the small amount estimate from the length of the long haul?

A. You are speaking of the expenses?

Q. Yes.

A. We have charged against the state freight double as much per ton per mile for terminal expenses as we have against the interstate freight. We have not made any charges against interstate. We have said the state expense was double.

6364 Q. I won't call it charges, or anything of that kind; but what I mean to say is the practical result of your averaging is that?

A. No sir, it is just the opposite. Because you say in our statement that we allow for the terminal expenses to be twice as much per ton per mile on state freight as the terminal expenses on the interstate freight. Therefore, we concede the very point you claim.

Q. I can criticize your statements, when I come to them, from their own standpoint: but what I want to get at is, that you do figure that every interstate shipment we make is carried 105 miles in the state of Missouri?

A. Yes sir.

Q. And yet the expenses that might be figured out per ton per mile, are not on the basis that one hundred and five miles was the entire length of the haul, but it might have been 205 and 305 miles: Isn't that necessarily the result of the way you got the figures?

A. No sir, we don't think so.

Q. Because you get in Missouri only such proportion of the entire revenue, or bear such proportion, as the distance in Missouri bears to the whole shipment?

A. Yes sir.

At this point the further hearing of testimony herein was adjourned until tomorrow, Friday, March 1, 1907, then to be resumed at the same place, at ten o'clock in the forenoon.

____ ____,

Special Master.

6365 ST. LOUIS, MISSOURI, FRIDAY, *March* 1, 1907.

Met pursuant to adjournment as above on March 1, 1907, at two o'clock p. m.

Present: Hon. F. L. Schofield, Special Master.

Mr. Frank Hagerman appeared in behalf of the Complainant?

Messrs. S. B. Ladd and John Kennish appeared in behalf of the Defendant.

The following proceeding- were had:

The cross-examination of Mr. C. S. LUDLAM continued as follows:

By Mr. F. HAGERMAN:

Q. The state rates established by this act in question are based on a given length of haul, aren't they?

A. Yes sir.

Q. How about interstate? Aren't they usually based on very long hauls?

A. Rates you mean, Mr. Hagerman?

Q. Yes sir, the rates.

A. Many of the interstate rates are based on long hauls.

Q. That is the rule generally, isn't it?

A. Longer than state rates. I don't know that rates are based upon the length of the haul so much as on the general proposition how much they can get, for the reason that the interstate rates vary continually.

Q. So it becomes quite a difficult matter to make a fair comparison as between state and interstate rates, because of that difference

6366 in the things upon which they are based?

A. Except as you do it upon a per ton per mile basis.

Q. Let us see about the ton per mile basis: as I gather from your Exhibit 19 you figure out there the basis to be on state freight 52 miles as the average haul: that is right, isn't it?

A. Yes sir.

Q. Now as to the interstate freight, you figure out the average haul to be 105 miles?

A. In the State of Missouri.

Q. The difference between those two cases is this: that in the case of the state freight the 52 miles is the entire haul?

A. Yes sir.

Q. Whereas the average of 105 miles for interstate freight is only a proportion of the through haul?

A. Only the proportion that applies to Missouri.

Q. That is, the entire haul might have been 205 or 2,005 miles, depending altogether upon the distance it came?

A. It would be considerably in excess of 105 miles. Of course it would not reach 2,000 miles, that is, in the case of the Missouri Pacific.

Q. I presume not because it is too near the center of the country; but I was just giving an illustration.

A. The average haul on the system of the revenue freight during the year ending June 30, was 237.

Q. That is interstate freight, regardless of the limitations of the State of Missouri?

6367 A. That is the entire tonnage of the Missouri Pacific, that would include state and interstate, all the business of the system.

Q. That is 237?

A. Yes sir, as I recall it. It is shown in the annual report of the company.

Q. Is there any separation of that as between state and interstate?

A. No sir.

Q. And still you think in a comparison of revenue per ton per mile that on state 100 mile rate is fair as a basis of comparison with an interstate rate running only 105 miles in the state, although it may be 1/10 of the interstate haul?

A. When you reduce it to per ton per mile, yes sir.

Q. Wouldn't it be necessary, in order to make any kind of a fair comparison, to make a similar extension upon the state haul, by adding a certain increase for every 25 miles and calculating the revenue upon that, before you could fairly compare the state and inter-state revenue per ton per mile?

A. No sir, I don't think so.

Q. Why wouldn't that be right? If you are going to do it just as a fair comparison, to ascertain the result?

A. Because I think it is a fairer comparison to compare one fact with another fact than to compare a fact with a supposition.

Q. Take this state of facts: a carload of wheat 20 tons with an average of 52 miles; apply to that the six cents rate fixed by

6368 the Act of 1905, and you have a revenue per ton per mile of 2.3 cents, wouldn't you?

A. Yes sir.

Q. The average length of haul of freight on the Missouri Pacific system was about 240 miles?

A. Yes sir, as I recall it.

Q. That includes a large proportion of the short haul and the Missouri Pacific proportion of the haul only?

A. That includes all the freight handled on the Missouri Pacific system.

Q. But that includes the short haul freight and only the Missouri Pacific proportion of the haul, doesn't it?

A. The entire mileage of the system?

Q. Yes.

A. Yes sir, only the Missouri Pacific proportion.

Q. That is to say, that 240 miles' average is not based upon the entire length of the interstate haul, no matter what road it comes from?

A. No sir.

Q. But that is the average haul upon the Missouri Pacific system?

A. Yes sir.

Q. What would you say it would be safe to assume the interstate

freight to average in hauling from the point of origin to final destination, regardless of what roads it passed over?

6369 A. On the Missouri Pacific System?

Q. No sir, in the entire interstate. Would twice 240 be an unfair average?

A. I could only approximate that in the most general way. I should say twice 240 miles would be too much.

Q. Not very much out of the way, would it?

A. I would say, if I were just going to make a guess, that 350 miles would be somewhere in the neighborhood.

Q. Let us assume it would be twice that much, twice 240 miles, the Missouri rates under the Act of 1905 on the shipment I gave you, extended to that distance would be 14½ cents, or only 6 mills per ton per mile, wouldn't it?

A. Yes sir.

Q. That would be as against 2.3 cents carried 52 miles?

A. Against what.

Q. Against 2.3 cents per ton per mile if the carriage was only 52 miles: that would be right?

A. Yes sir.

Q. Don't you think if you were going to compare per ton per mile in the way of revenue as between state and interstate, that the fair thing would be to make that kind of an extension in the comparison of rates? Irrespective of this case, but just fairly comparing the rates, they being based as you say upon entirely different consideration, in the one case, that of the state, the law fixing it arbitrarily; and the other depending upon what you can get, and other conditions?

A. No sir, I don't think so, Mr. Hagerman. Because

6370 you would be assuming then a condition that does not exist.

Q. In what respect?

A. That the state freight moves 350 miles, or 480 miles.

Q. Is that the only reason?

A. And I do not think the interstate business moves 480 miles.

Q. Supposing the assumption was 350 miles as you gave it instead of 480 miles, what difference would that make as to the 14½ cents or 6 mills per ton per mile? I gave you the 480 because it was a simple example. You think taking all the roads into consideration the average would be 350?

A. I just gave that as a rough guess.

Q. Suppose we extended the local rate to the 350 miles, what would that aggregate?

A. 350 miles on grain is 6½ mills per ton per mile.

Q. That answers the purpose for my comparison. You do not think that would be a fair way of comparing rates?

A. I think it would be infinitely fairer to compare a 350 mile haul with a 350 mile haul. The reason I say it is not fair to compare a statement, with an average haul of 52 miles, with an estimated haul of an interstate shipment of 350 miles, is because the state does not move the 350 miles. That necessarily involves the contention whether I think you would make more per ton per mile on

a 350 mile haul at a rate of 6½ mills per ton per mile than you would make per ton per mile on a shorter haul for which you received a larger revenue per ton per mile.

6371 Q. Now let us get down to the question of comparison, because I am simply dealing with it from the standpoint of a fair way to compare the rates.

Your system of simply arriving at the per ton per mile is a system of averaging and placing practically everything on a level, isn't it?

A. Well, that is one way of expressing it.

Q. Isn't that a fair way of expressing it?

A. Hardly.

Q. You do not distinguish between the commodities?

A. I should say, I think rather it reduces it to a common unit that permitted of intelligent comparison.

Q. You call it "common unit," and I call it "reducing things by a system of averages to a common level," and in ordinary parlance that expression is not far out of the way, is it?

A. I like my own better.

Q. I can understand mine better, is all.

Now the result is, that when you do reduce it down to the ton per mile you have taken and averaged all the commodities regardless of their character. You have simply had the number of miles and the number of tons hauled and out of that you get an entire average, don't you?

A. With the exception that we separate of course state and interstate, and carload and less than carload.

Q. I know that is a subdivision you make, because in each class you find out the same way, whether carload or less than car-

6372 load, and whether state or interstate. What you do as to the commodities, regardless of the character of the commodities, regardless of the rates you get on the commodities, what you do is to get the total number of miles, the total number of tons, and the total amount of revenue received?

A. Yes sir. What we try to do is to reduce the interstate carloads to a unit that permits of comparison with the state carloads. And the same way with the interstate less than carload and the state less than carload.

Q. But after all, it is adopting an average regardless of the commodities, regardless of the difference in the amounts you receive, isn't it?

A. Of course that includes all the carload shipments in the interstate business and it also includes all the carload shipments in the state business. In other words, it puts all the carload state business down to one figure and all the interstate carload business down to another figure.

Q Let us take it with that limitation, because that is the way you prepared your statement: you have subdivided between carload and less than carload and between state and interstate?

A. Yes sir, but the point I want to make is this: whether it is inequitable, if you please, to compare all the carloads, or to reduce

all the carloads to one unit, it becomes equitable when the same system is followed in both state and interstate, for the reason that the same variation will exist between the carload business in each class of business.

6373 Q. To make my statement more specific, in less than carload you are ascertaining for state business and also for interstate business, the rate you received per ton per mile, and that reduces things to a common level upon the basis of an average, regardless of the character of the commodity that is carried, doesn't it?

A. You mean both state and interstate?

Q. Yes. Regardless of their character.

A. To a common unit, regardless of the character, in both state and interstate.

Q. And regardless of the amount received on one particular commodity as against another. That is not taken into consideration, is it?

A. I think it is to the extent you will find both classes of commodities in both the state and interstate. The state does not have one particular class of commodities and the interstate another particular class of commodities, but they both average the same.

Q. But let us confine ourselves to less than carload lots. The fact that upon wheat you get one price and upon some other commodity you get another amount of revenue, that is not taken into consideration in your calculation at all?

A. That is not a very good illustration of less than carload lots.

Q. Well, take something else. Any commodity you want.

A. Take coffee and dry goods. You will find both coffee and dry goods in carloads and less than carloads.

6374 Q. Certainly. But reducing it down upon one commodity you get a higher rate than upon another. That does not enter into it, except you have the sum total received?

A. On both classes, yes sir.

Q. So you said before, in reducing to a ton mile basis you did not take into consideration, in this system of averages, the amount of waste space in the car, did you?

A. Not in either case.

Q. The ideal way, Mr. Ludlam, if it were practicable, or if the railroads kept their accounts that way, with this law suit in view, would be to keep track of such car, so as to have the kind of commodity and the vacant or unused space in the car, wouldn't it?

A. Yes sir.

Q. That would be the ideal way?

A. Yes sir.

Q. And without that we have all this system of averages and theorizing?

A. Now right there, I would like to say, that the same ratio of difference, however, must exist in each class of commodities, that is shown by the total of all the commodities in each class. That is to say, that if the less than carload state averages twice as much per ton per mile, there must be a preponderance of the articles that are

carried in less than carload business both state and interstate, that average higher proportionately in the state business than they average in the interstate business.

6375 Q. In the final analysis, what we get down to, when you figure it your way, it is a system of averages, depending largely upon theoretical calculation, isn't it?

A. It is reducing the business to a common unit, upon an absolute tabulation of the transactions of the company. It is not theorizing in any sense. It is getting just as far away from that as possible.

Q. It is calculating upon a system of averages, without taking the actual facts into consideration?

A. It takes all the actual facts into consideration. The amount hauled, the weight, the distance hauled and so forth.

Q. You have just said you didn't take those things into consideration.

A. If I did, I made a mistake——

Q. Let me get back to that.

A. Let me explain that, please. What I said was not taken into consideration, is the waste space.

Q. Let me see if the other thing is not true, because I did not think we misunderstood each other. We may differ as to what would be the right method of comparing.

Given the number of tons of less than carload freight; the number of miles that the less than carload freight was carried; the lump sum of money received for all less than carload freight, you could get your calculation upon the basis that you figure it, without any other consideration; and that is the only way you get it?

6376 A. And a separation into state and interstate.

Q. Then I will separate my question: in the state freight, given all the tons that there are of less than carload freight, the total number of miles that the less than carload state freight has been carried, and all the money in a lump sum, without any division, that you have received for the less than carload state freight, your example is just one of division, isn't it?

A. Yes sir. You get the average rate per ton per mile of state less than carload business from those figures.

Q. Is there any difference between us? That you did not, in arriving in your calculation, take into consideration the commodity or the lost space occupied in one car than in another. Does that enter into the calculation?

A. The space does not.

Q. Does the other thing?

A. The weight does.

Q. Only in the total number of tons?

A. Only in the total number of tons.

Q. That is as far as it goes?

A. Yes sir.

Q. Now coming back to my original question with all this light before you, your opinion still is, notwithstanding you arrive at it in that way, it is fair, upon that theory, to compare the revenue

received from the interstate as from the state freight; and you ought not to compare, based upon extending the state rates for a similar distance, as to what you receive?

6377 A. My judgment is that the comparison should be made upon the revenue per ton per mile.

Q. Is there anything radically wrong in making the comparison in the way I suggest, other than it is theoretical?

A. There are two things, as I see it, Mr. Hagerman. One is that it is theoretical; and the other is, that it involves a question as to whether the decrease in the rates fixed by the act, as the length of the haul increased, are not excessive.

Q. How would that be, that is the rates are too high?

A. If there is not too much division between the short haul and the long haul.

Q. Under this particular act?

A. Under this particular act.

Q. Why is that so?

A. Because while the rate might be large enough to yield a remuneration for the haul of 52 miles, or the haul of 105 miles, and yield a large remuneration, it might not be large enough to yield a remuneration for the haul of 450 miles.

Q. In the case I put, modified by your average haul of 350 miles, in your way of comparing the rates, I am right about the result—that the revenue would be 2.3 cents, coming from your way of calculating; and from my way of comparing, the revenue would be 6½ mills or about ¼?

A. Exhibit 23 shows that the revenue on grain per ton per mile under the Act of 1905, on a 350 mile haul would be 6/12 mills.

6378 Q. That is, something between 1/3 and ¼ of the method by which you arrived at the results, on your average of 52 miles.

I do not care about arguing it, but I wanted to get in sharp contrast, what was the difference between the two theories. You are entitled to advance your theory but I am entitled to compare mine with yo.

According to your theory you would get per ton per mile three or four times as much per mile as you would according to my basis of comparison, wouldn't you?

A. You would get something over twice as much per ton per mile for the distance actually hauled as if you had hauled it 350 miles.

Q. Answer my question, whether my method of comparison would not yield per ton per mile from one-third to one-fourth what your method of comparison does: it would be six and one half mills into three and two-tenths cents, wouldn't it?

A. If I understand your question correctly, as indicated by my last answer, it would.

Q. Let us pass from that now——

The MASTER: Just a moment. Mr. Ludlam, you are raising a question that so far as I remember has not been suggested up

6379 to this time in any of the hearings:

Do I understand you that there is a probable difference, or

an actual difference, in the remuneration, or possible reasonableness of the remuneration allowed to the carrier under the Act of 1905 for short hauls as compared with long hauls? That whereas the remuneration might be abundant in the one case it would be very much smaller proportionately in the other?

A. No sir, I was not trying to raise that question. What I said was——

Mr. HAGERMAN:

Q. Does the result of your statement raise the question?

A. What I was saying was, the comparison we have made was based upon the length of the haul, which our analysis of the statement showed the freight moved. Mr. Hagerman suggested that I compare that with the 350 mile haul. I said that would immediately raise the question in my mind whether the 350 miles or the 450 miles haul bore the same relation to the expense of the movement that the haul of 52 or 105 miles bore.

The MASTER:

Q. Have you an opinion as to whether the application of the Act of 1905 would be more remunerative for long hauls than it would be for short hauls, taken as a whole, or vice versa?

A. No sir, I have not, Judge. I have not considered that question?

6380 Q. You have not figured that out at all?

A. I have not made the slightest calculation upon it. I had not thought of it, until Mr. Hagerman raised the point.

Mr. HAGERMAN:

Q. What opinion did you attempt to express to me when I did raise the question?

A. That intelligent answer to your question would involve a consideration of that point, which I have not given it.

Q. You think that possibly, or probably, the extension of those rates to the three hundred and fifty mile distance would be unremunerative?

A. No sir.

Q. Would it be more than remunerative?

A. I will say this, off-hand, and without studying the matter, that I think the Company would make more under the rates fixed by this Act, for anything under a two hundred mile haul; that they would make more per ton per mile for anything under a two hundred mile haul than they would make for anything over a two hundred mile haul.

The MASTER:

Q. They would make more net money?

A. Yes sir, that would be my impression. Now, I have not given that matter sufficient study to want to express that as a positive opinion; it is just a rough estimate.

Mr. HAGERMAN:

Q. Without giving expression to a fixed opinion, because you have not studied it, your judgment is that to extend the state rates to the 350 mile haul, in the way I was seeking to compare
6381 them, would be to make a rate that would be absolutely unremunerative?

A. No sir, my judgment off-hand would be that if you extended those rates to the 350 mile haul, you would get it down to about the same revenue you are now getting on your interstate business, and, while that would be remunerative, it would not be nearly so remunerative as the shorter haul now made on the state business.

The 350 mile here (indicate Exhibit) is almost exactly the same as they get on their interstate freight. I do not pretend to say they do not make money on their interstate business, because I think they have done so; but I think they make a great deal more on their state than on interstate business.

Q. Now I observe here in Exhibit 19, on Page 7 the last item there of the total less than carload lots and carloads, the percentage of the total ton mile is 6.45: how does that compare with what it is on the entire system?

A. I have not seen any figures as to what it is on the entire system.

Q. Have you any method of comparing?

A. No sir, not from the information we have.

Q. Can you tell whether it would be 6 or 15 or 20 per cent, or approximate it?

A. In my judgment it would be under ten and I do not think it would vary from 6 very far. It might be a little more or a little less on some of the western Iron Mountain lines. But I am sure it would be less than 10 per cent.

6382 Mr. HAGERMAN:

Q. Take Exhibits 25 and 27: Those are Forms 1940 and 1941 respectively, showing statistics for the entire Missouri Pacific system, aren't they?

A. Those are the exhibits showing the operation of the Missouri Pacific system.

Q. Now turn to Exhibit 28: what is the theory upon which Exhibit 28 is based? That is supposed to represent what?

A. That is supposed to represent what the cost per ton of interstate freight is, based on figures shown in the Missouri Pacific Railway Company's Analysis of Statement of Superintendents' Operation for the year ending June 30th, 1906, which includes the operation of the Missouri Pacific Railway proper, the Iron Mountain and the Central Branch, on an average haul of one hundred and five miles, provided the average terminal expense was 17.92 cents; and, in the first column, provided the train and engine service cost the same per ton mile on both state and interstate business.

In the second column, provided the train and engine service cost twice as much per ton per mile upon state as interstate business.

And in the third column, provided the train and engine service

cost three times as much per ton per mile on state as on interstate business.

Q. When you speak there of the Analysis of the Statement of Superintendents' Operation, you are referring to one of these forms, Exhibit what?

A. We are referring to both of these forms, Exhibits 25 6383 and 27.

Q. Forms 1940 and 1941?

A. Yes sir.

Q. And the purpose of this Exhibit 28 is to show, upon a theory which you advance, the cost of operation as to the interstate freight, and Exhibit 29 as to the state freight, in Missouri?

A. Based upon those two exhibits?

Q. Yes.

A. Yes.

Q. The first thing you take as a basis is the analysis of the Statement of Superintendents' Operation for the entire system?

A. Yes sir.

Q. If that does not fairly represent Missouri, all this calculation is wrong?

A. To that extent, yes.

Q. You have not separated from Forms 1940 and 1941, and could not separate from them, the statement for the state of Missouri?

A. No sir, they do not give the figures for the state of Missouri.

Q. You have got to take that cost as applied to the particular items mentioned in each one of these exhibits, that cost as you ascertain it in that analysis, for the entire system that is the first thing you must take?

A. In an analysis of the entire system, as shown in those exhibits.

Q. The items of expense as you have listed them here 6384 (indicating)?

A. Yes sir.

Q. The cost is based entirely upon what is shown by this statement as to the entire system?

A. Yes sir.

Q. Then in order to reduce it to tons per mile, you take the average haul, as shown by your Exhibit 19?

A. Yes sir.

Q. And, unless your Exhibit 19 is right, this would be all wrong, wouldn't it?

A. To that extent.

Q. That is to say, in any respect that your Exhibit 19 would be wrong, this would be correspondingly wrong?

A. To that extent, yes.

Q. You get your average cost and average number of miles in this way: Did you get the average cost per ton per mile from these Forms 1940 and 1941?

A. Yes sir, from Exhibits 26 and 27; that shows the average cost per one hundred ton miles, which is the same thing.

Q. Then the way you calculate this, that analysis as shown by Forms 1940 and 1941 show what it is for one hundred ton miles?

A. Yes sir.

Q. And you reduce it to one ton mile, and you take the average of 105 miles for the interstate and 52 miles for the State, as shown by Exhibit 19, and apply it in that way?

A. Yes sir.

6385 Q. Exhibit 19 shows the total number of ton miles, does it not?

A. Yes sir, during the month of October.

Q. And Exhibit 5-*a* shows the total expenses in the State of Missouri?

A. Sheet 3 of Exhibit 5-*a*, yes.

Q. Assuming now that the number of tons one mile, for one month, are as shown by your Exhibit 19, how would you ascertain what the average cost per ton per mile, as shown by Exhibit 5-*a*, was? Turn to your Exhibit 19. The total number of tons one mile is 56,318,587, isn't it?

A. Yes sir.

Q. You said at one time that that ought to be multiplied by about ten to fairly represent a year?

A. As a rough estimate.

Q. Well, if you can make any more accurate estimate, do it.

A. In dividing this we would make it actual. The way we would reduce the figures shown by page 3 of Exhibit 5-*a*, would be to take the total earnings for one year——

Q. I am not dealing with the question of earnings. Take your own figures. You have here a theory upon which you figure out the number of tons one mile, and by Exhibit 5-*a*, you have the expenses entirely in the State of Missouri: Cannot you, with those two figures before you, tell us what the average expense per ton mile was, for all freight, state and interstate?

A. Yes, but that deduction is based first upon the revenue,

6386 for the purposes of determining the ton mile. We have to determine the ton miles from the revenue.

Q. I don't care how you determine the ton miles. In Exhibit 19 you have put in Column 6 the number of tons one mile of all classes of freight carried in the month of October, haven't you?

A. Yes sir.

Q. How many ton miles would that be carried in a year? It would be ten times that, practically?

A. Well, I think it would be more than ten times.

Q. Take it at eleven times. You said ten times, at one time. Or, I will do it in a simpler way than that: Take the expense as shown by Exhibit 5-*a*, and divide by twelve to get it for one month.

A. We have got the ton mile for the year 1905.

Q. You have got that?

A. Yes sir, for all freight, worked out on a revenue basis, which I was going to explain to you. It is 582,747,634, and is shown by Exhibit 30.

Q. That is the entire ton miles for a year for all freight in Missouri?

A. For Missouri.

Q. What is the total expense for Missouri, for 1905?

A. $4,203,320.24.

Q. Does that include anything for interest?

A. No sir.

Q. Or taxes?

A. No sir.

6387 Q. That is exclusive of interest or taxes?

A. That is the total operating expenses.

Q. Then to ascertain how much it costs per ton per mile to handle that freight, you would divide one of those figures by the other, wouldn't you?

A. Yes sir.

Q. What will that bring you?

A. Roughly, seventy-two cents.

Q. That would be as against 57.946 cents, as shown by your Exhibit 28, wouldn't it?

A. Yes sir.

Q. That is for interstate, and as against 86.63 as shown by your Exhibit 29——

A. As against 37.745, you mean?

Q. Yes, that is it. Now, assuming you include in your expenses, taxes, interest and rental, which we have in Exhibit 5-*a*, how much more will that make it? Or, what sum would it become instead of 72 cents?

A. That is about two cents more for the taxes.

Q. The taxes would make it about two cents more?

A. Roughly.

Q. Then take rental and interest: how much more would that make it.

A. That would make it about twelve cents more.

Q. Than the figures shown?

A. By Exhibit 5-*a*.

Q. Approximately, the average cost per ton per mile would be 72 cents without taxes, and 74 cents including taxes, and

6388 86 cents including rentals and interest?

A. Yes sir, on the basis of the figures shown by page 3 of Exhibit 5-*a*.

Q. That is what you have attempted in Exhibits 28 and 29 to reduce yourself to, isn't it?

A. I beg your pardon, but I am off. I have taken the per ton mile basis there, and I have made a mistake. I used the total ton miles.

It is 7.2 mills per ton per mile, and a haul of 105 miles on the interstate. That would make about 75 cents a ton.

Q. Has your Exhibit 28 and Exhibit 29 the cost per ton per mile?

A. No sir, per ton. The figures I gave you, 72 cents per ton, are wrong.

Q. Let us get the figures right, if you have them?

A. That would make 66¼ cents per ton instead of 72 cents per ton.

Q. That is to say, instead of the 72, that is exclusive of taxes?

A. Yes sir, exclusive of taxes, rentals, and interest.

Q. Now what is it with taxes?

A. Would you like the taxes separate, or shall I give you all three together?

Q. I want the taxes separate first, and then all three together.

A. The taxes would be 1.8 cents.

Q. And the other items in addition to that, rentals and in-
6389 terest, would be how much?

A. Eleven cents.

Q. This is in addition to the taxes?

A. Yes sir.

Q. Including all, that would make how much?

A. 79 cents a ton.

Q. As against your 57 and a fraction in Exhibit 26, and 37 and a fraction in Exhibit 29?

A. No sir, not as against that; because Exhibits 26 and 29 do not purport to include taxes, rental or interest.

Q. All right, then: 66, as against your 57 and a fraction, and your 37 and a fraction?

A. Yes sir. And then if you should deduct from the expenses as shown by Exhibit 5-*a*, the $480,000, we think you have overcharged the state of Missouri, on account of the Kansas City terminals, it would reduce the figures to almost the figure shown by Exhibit 28.

Q. Do you mean to say that either your Exhibit 28, or 29, or 19, is made upon the basis of charging that Kansas City terminal situation, and charging the expenses in some way different from what the company has been charging them?

A. Exhibit 19 does not deal with expenses at all. That is purely revenue. Exhibits 28 and 29 are based upon the operation of the system, as shown by Exhibits 26 and 27 Exhibit 5-*a* states the expenses of the State of Missouri, as submitted by the company, which we think are about $480,000 more than they ought to be, on account
of the Kansas City terminals; and if that item of $480,000
6390 is deducted from Exhibit 5-*a*, it will leave the expenses per ton just about the same as they are shown to average on the system by Exhibits 26 and 27.

Q. However you figure it out, this much is certain: if the Master can be given the number of ton miles, and the total amount of expenses in Missouri, he can ascertain by the division of the expenses by the total number of ton miles for that year, the average cost, as you have ascertained it, can't he?

A. The average cost per ton per mile—yes.

Q. To get a comparison with your Exhibits 28 and 29, what do you do with that per ton per mile?

A. In the first column, we treat both state and interstate as costing the same, and we multiply the cost per ton per mile as shown by Exhibits 27 and 28, by the average distance hauled.

Q. I do not think you understand me, Mr. Ludlam: what is your 66—and your 79, that you finally gave me? What do they represent? Is that the cost per ton per mile?

A. No sir. That is the cost per ton.

Q. What would those figures equal per ton per mile?

A. 7.2 mills, roughly.

Q. Instead of the 66?

A. No sir. It is 7.2 mills per ton per mile: the 66 is per ton. The average haul of all the freight in the State of Missouri, and in this figure we are dealing with all, as shown by Exhibit 19, is 92 miles. And so you multiply your 7.2 mills by 92, which is
6391 the average distance all of the freight, both state and interstate is hauled; and that would give you a cost of 66¼ cents per ton.

Q. That is the way you get the 66 and the 79 as the basis of comparison with your Exhibits 28 and 29?

A. As the basis of comparison which you make.

Q. Your 92 does not enter into the calculation of the cost per ton per mile of all the stuff in the state, because that can be ascertained by dividing the total expense, whatever the Master finds it to be, by the total number of ton miles in the State, whatever he finds that to be, for the same length of time.

A. That is what we have done. We have divided by the number of ton miles. I think you mean he can divide it by the number of tons, and get the cost per ton.

Q. On this basis you have figured it out, the 66 and 79, that is by taking into consideration, as you did in your Exhibits 28 and 29, the length of the haul; and you get in that way, taking into consideration the length of the haul, the cost of handling the freight per ton?

A. That is what Exhibits 28 and 29 give.

Q. That is what your 66 and 79 do, isn't it?

A. Except that in the 66¼ cents, and 79 cents, per ton, we do not separate it between state and interstate. Exhibits 28 and 29 do.

Q. I understand that. Now, as I understand you, the way you reach that 66 and 79 is this: Given first the amount of expenses, as we have them in Exhibit 5-*a*, divided by the number of ton
6392 miles for the same period of time, you multiply by 92, which is your average, as shown in Exhibit 19?

A. Yes sir.

Q. Now, if the Master wants to get the actual cost per ton per mile, he would not need anything more than his finding of fact, what the actual expenses in Missouri were, and what the total number of ton miles in Missouri were, for the same period of time, and divide one by the other, would he?

A. I should not think so.

Q. Now, assuming that Exhibit 5-*a* is correct as to the expenses per ton per mile, what would that 66 be that you have reduced to tons?

A. 7.2 mills per ton per mile.

Q. What would your taxes be?

Q. It would be two tenths of one mill per ton per mile.

Q. What would the whole thing be, in addition to those sums—or what would the whole total be, including taxes, rental and interest?

A. 8.6 mills per ton per mile.

I would like to say that I want an opportunity to verify all these figures I have made as hurriedly, on the record.

Q. If it costs 8.6 mills per ton per mile to handle all the business, and the proportion per ton per mile was 86 and 14, how would you go to work to ascertain the division between the state and interstate per ton per mile? Taking nothing except what we have now: you have the 86 per cent, and the 14 per cent, as shown by Exhibit 19 and you have 8.6 mills per ton per mile, as shown by your present figures.

6393 I want you to eliminate, for the purposes of this question, anything you have of your own figures, but take just the two things I have, and see where it will lead you? And I am not by this question committing you to any statement that this is the right way to do it, or the wrong way.

A. If I were going to figure the cost of doing the state business as being twice the cost of doing the interstate business, I would multiply the 14 by 2 to get my——

Q. We have been using three a good many times; let us multiply by three. It doesn't make any difference, for the purposes of this calculation.

A. If you were to do it on the basis of its costing three times as much per ton per mile for state as for interstate, including the taxes, rentals, and interest, you would multiply the 14 by 3, which would give you 42, and add 86 to that, which would give you 128; divide the 128 into the 8.6 which would give you practically 6.7 mills per ton per mile for the interstate; and three times that, or 2.01 cents for the state.

Q. How would you work that? 6.7 mills for the cost of doing the interstate?

A. Yes sir. And three times that.

Q. Is what?

A. 2.1 cents as the cost of doing the state business.

Q. That is to say, upon that theory, it would work out that it would cost you three times as much per ton per mile to do the interstate business?

A. To do the state business.

Q. The final result of that would be how much per ton

6394 per mile, on the interstate, figured out that way?

A. 6.7 mills.

Q. You have a total of 8.6 mills for the entire cost: that would leave you 1.9 mills for the state business, wouldn't it?

A. No sir, it would cost you three times——

Q. I am simply doing this to test the correctness of your theory. You have said time and time again during your examination that Mr. Sturgis' method of calculation is all right, but that the question of difference between you was your system: Now, figure it out as you will, it costs you 6.7 mills to do the interstate business, doesn't it?

A. On the basis of all the business costing 8.6 mills.

Q. And it would cost you what to do the rest of it?

A. That is on the basis of the state business costing three times as much as the interstate. Your common unit is 6.7 mills, which gives the cost of the interstate business. The state business would be three times that, or 2.01 cents per ton per mile.

Q. 2.01 cents as against 6.7 mills.

A. Yes sir.

Q. And that would make sum total of what? As applied, would not that more than make up all the expenses there are?

A. No sir.

Q. That would bring it out right, would it?

A. Yes sir.

Q. And would that make any difference between the result of working it out as I suggested yesterday, taking your 86 per cent,
6395 and 14 per cent, as in your Exhibit 19, and figuring it directly upon the total amount of expenses?

A. Yes sir, because yesterday you were figuring on the number of tons and the revenue.

Q. I figured three ways yesterday.

A. This is on the ton miles, which is entirely different.

Q. I was figuring three ways yesterday: First upon the gross tonnage: you figured it from Exhibits 28 and 29 on the gross tonnage, and then you reduced it, by adding the element of the length of haul, and figured it out upon a different basis, upon what you called the "ton mile basis". Then the third way I gave you was, taking your figures in Exhibits 28 and 29, the 86 per cent and the 14 per cent: What I don't understand is, to carry out this example as you carry it out now, you have 8.6 mills divided so that the sum total is 2.01 cents?

A. No sir.

Q. Why not?

A. You started with one mile?

Q. Yes.

A. Which was 8.6 mills?

Q. Yes.

A. You said 86 per cent of that one mile was interstate business?

Q. Yes.

A. And fourteen per cent of that mile was state business?

Q. Yes.

6396 A. And you wanted to know what the ratio of cost would be per mile on state and interstate?

Q. Yes.

A. Assuming that the state costs three times as much as the interstate?

Q. Yes.

A. Your figure after multiplying your state percentage of 14 by 5 is 6.7 mills, which is your common unit. That would be the cost for a mile of interstate business, and three times that, or 2.01 cents would be the cost for a mile of state business.

But in this figure of 8.6 mills, you have only one mile, or 86/100 of a mile of interstate. Therefore, you want to take 86/100 of your 6.7 mills, which is the cost for a mile of interstate, and add to that 14/100 of your cost of 2.01 cents, which is the cost per mile of your

state, and that will give you 8.6 mills—unless I have made a mistake in my calculation.

Q. How do you arrive at your 6.7?

A. By taking 14 and multiplying it by three, which gives 42, and adding that to the 86 which gives 128; and dividing that 128 into the 8.6 mills.

The MASTER: That is precisely Mr. Sturgis' calculation.

A. Exactly. But we have only one mile. Mr. Hagerman cannot understand why the total of the two figures is more than the original figure.

Q. You have been above one hundred, and you must reduce it back to one hundred?

6397 A. That is it exactly.

Mr. HAGERMAN:

Q. Applied to the per ton, what would your figure 66 become?

A. On the average haul of the interstate?

Q. Yes. I am taking now your figures of 66 and 79; where would that lead us?

A. I have not made the figure per ton per mile on the 66¼: I will have to reduce that.

This is getting it to the per ton basis, as you figure the per ton, on the length of the haul; and it is upon the basis of your 66 per ton, exclusive of taxes, rentals, and interest?

A. (After calculating:) On the basis of 66¼ cents per ton——

Q. Figured as you have already figured it?

A. Figured in accordance with your request. And assuming that the state costs three times as much as the interstate, and that the interstate moved an average of 105 miles, the cost per ton of the interstate would be 58.8 cents. And on the basis of all the business costing 79 cents per ton, figured out the same way, the cost for the interstate would be 70.25 cents per ton.

Q. And what would be the state?

A. (After calculating:) On the basis of all of the business costing 66¼ cents per ton, and the state costing three times as much, the cost of the state would be 87.36 cents per ton. On the basis of it costing 79 cents for all the freight, the state would be $1.0452.

6398 The MASTER:

Q. Is that assuming three times the cost per ton, or per ton per mile?

A. That is three times the cost per ton mile of all the operating expenses in the first place, in the smaller cost; and three times the cost per ton mile in the latter case, of all the operating expenses, taxes, rentals, and interest on the bonds.

Mr. HAGERMAN:

Q. That is to say, for the purposes of these calculations which you have just made, we have taken Exhibit 5-*a*, as the basis, one alternative being excluding taxes, rentals, and interest, and the other is leaving them in?

A. Yes sir.
Q. And then we have taken, as you have got it in Exhibit 19, he ton miles, or the tons per mile, and the percentages of 86 and , as found there?
A. Yes sir.
Q. The result of that is, per ton, ascertained in that way, for the nterstate business, 58.8 cents, exclusive of taxes, rentals and inter-st, as against what, in your statement Exhibit 28? 57.94, isn't it?
A. It could not be compared with Exhibits 28 and 29, because hat does not double or treble the whole expenses.
Q. Take it with the last column, then trebling the cost?
A. That trebles only part of the cost, the engine and train ervice.
Q. That would tend to show you had left out something, wouldn't it?
A. We think——
6399 Q. Whatever it tends to show, I want the comparison.
A. It would not tend to show we had left out anything.
Q. Let us have the comparison.
A. If you will tell me the figures you want compared——
Q. 68.8 compared with 57.946, your single cost, and with 56.245, your double cost, and with 54.932 in your third column.
A. No sir, not my comparison. I would not compare those two figures, because they are not comparable, in my judgment.
Q. It makes as to the interstate 70.35, as against your total cost per ton, single cost 57.946, double cost 56.245, and treble cost 54.932, doesn't it?
A. No sir. I- does not, because, aside from the other matters you assume, and which are not in accord with Exhibit 28 at all, your 70.35 includes also taxes, rental and interest, which are not embraced there at all.
Q. That is why I am trying to get a comparison. Where would your Exhibit 28 be if you had included what you have in Exhibit 19, and included the expenses as we have them in Exhibit 5-*a*?
I don't care whether it is your opinion that that is the right way, but I want to know what difference it would make in your figures, if you calculated upon that hypothesis, and in that sense of comparison my figures are right?
A. No sir, I don't think you can compare your figures with ours, because they are predicated upon an entirely different hypothesis.
6400 Q. I know you don't think so.
A. If you want me to state that the first column of Exhibit 28 shows 57.946 cents per ton, I will be very glad to do so, because it does.
Q. Take Exhibit 29. Figured upon the basis you say you figure it, the single cost is 37.745?
A. Yes sir, that is right.
Q. And at three times, it is 46.89?
A. At three times the train and engine service, it is 46.89.
Q. Three times is the basis upon which you have calculated it?
A. Yes sir.

Q. At three times, upon the basis of our Exhibit 5-*a*, excluding all taxes, rentals and interest, it is 87.36, as against your 46?

A. Not as against my 46. I do not think that is quite a fair statement. Upon the basis you have stated, it is 87.36.

Q. And upon the basis you stated, it is 46?

A. Yes sir, and the two bases are entirely different.

Q. Let us compare it upon the assumption that we have taxes, rental and interest to be considered; how many times your 46.89 shown in your third column of Exhibit 29 would it give us?

A. $1.04 is about two and a fourth times as much as 46.

Q. And 46 is what you have got, and $1.04 is what I have got: Will you go me that far?

A. 46 is what Exhibit 29 shows, and $1.04 is the figure
6401 I gave you as the result of calculations you wanted me to make.

Q. If you would calculate your per ton in the way I wanted it in the questions yesterday, and not reducing it to the basis of the whole as you do to get your ton basis, the result would be very different still, wouldn't it?

A. Yes sir.

Q. And a very much heavier expense locally as against the interstate—about twice as much, wouldn't it?

A. If you estimated that it cost three times as much to haul a ton 52 miles, as it cost to haul a ton 105 miles, the disproportion between the figures would be still greater.

Q. I observe that wherever we get to, when you get down to the end of your figures, upon what hypothesis you figure it out, if I apply the total tonnage and a percentage of that, and divide the expenses that way; or upon the basis of revenue; the result is that whenever you use a multiple of three it is equivalen- to about one and one-half upon the ton mile basis, or, if you use a multiple of two, it is equivalent to about a multiple of one.

A. I haven't figured that out; but I should think it would run a little higher than that.

Q. How much higher would you say?

A. Some higher.

Q. About how much? I am taking it only roughly. That is to say, if it costs four times as much to do state business as to do interstate business, if I would figure it out upon the revenue basis that would be equivalent to what, upon the ton mile basis?
6402 Eight times, wouldn't it, to make the cost out even?

A. Roughly, the state revenue is about twice as much per ton per mile as the interstate.

Q. You stated repeatedly during your examination that the question of revenue does not enter into this thing at all?

A. Absolutely not at all, into the question of cost. It has not the slightest relation to it.

Q. The cost should be ascertained in the best way possible?

A. Yes sir.

Q. The ton mile is not the question; the revenue is not the

question; the thing to be desired would be to ascertain the actual cost, if you could ascertain it in any way?

A. In our judgment, the ton mile basis is the only way in which you could ascertain it.

Q. You started to ascertain it on the ton mile basis?

A. We tried to do so.

Q. But on that basis, and with your figures, wherever you get, we have to double the figure with which you multiply, every time, to get you even upon that basis with us, upon the ton or revenue basis, don't we?

A. Yes, unquestionably.

Q. Why is that so?

A. If you earn twice as much upon one ton of freight, which is state freight, as you do upon another ton of freight, which is interstate freight, if you want to show that the relation of cost to revenue is the same in both cases, you have immediately got to
6403 assume that the state business costs twice as much as the interstate, in order to get even.

Q. Now, then, let us take it upon the tons, because it does strike me that besides being a simple way of arriving at the result, it is a little remarkable that when you deal with the thing upon the question of tons it comes out just the same, for practical purposes, as when you deal with it on the question of revenue; and yet your multiple has to be doubled when you deal with it on the ton mile basis.

A. It would not be strange if you keep in mind that the revenue is as much, and the haul only one half as much.

Q. I am giving you the question irrespective of revenue, where you have the total number of tons carried, state and interstate.

A. I said——

Q. I will state in passing that in my mind the two ways you have figured it out come out practically the same; and with the other way, your way of figuring, it comes out only one-half?

A. As a general proposition, there are a great many wrong ways, and only one right way to do a thing.

Q. I understand your proposition, as to why it is double in the case of revenue, but why in the case of tonnage?

A. Why is what double in the case of tonnage?

Q. In the case of tonnage, if we divide the expenses on the basis of tonnage?

A. Because the state tonnage moves only half as far as the interstate tonnage.

6404 Q. That is the sole reason?

A. Yes sir.

Q. Go along with your Exhibits 28 and 29; they are gotten up on the basis that the cost in Missouri per ton is based on the average cost on the whole system, which includes the Iron Mountain and Central Branch railways?

A. I would express perhaps the same idea by saying that they are gotten up to show what the results in the state of Missouri would

be, if the cost in the state of Missouri was the same as it is on the entire system.

I would like to say right here, though, that if the portion of the Missouri Pacific system which lies in Missouri is as well operated as the system as a whole, the cost in Missouri, in my judgment, should not be as great as on the whole system, for the reason that the density of traffic is greater in the state of Missouri than it is on the system as a whole.

Q. Now, let us test it: Take your Exhibits Forms 1940 and 1941: what is the cost per ton, or per ton mile, on the whole system? Maybe you can answer that without following it out. As a matter of fact, isn't the cost in Missouri about *forth* per cent higher than on the entire system?

A. I have not worked it out. I cannot imagine it should be.

Q. Isn't the average cost per ton upon the items shown by Forms 1940 and 1941 about 4 mills, as against a cost of about 6 mills on the same items in Missouri?

A. As shown by what, for Missouri?

Q. I am just giving it roughly, from a note I had. I
6405 thought you might take some classes of those items and make a rough comparison quickly. What is the total cost per ton per mile, on that form, for the system?

A. Four and one-half mills.

Q. Now what is it on the Joplin division for Missouri: Isn't that shown by this Exhibit Form 1940?

A. No sir.

Q. Have you that anywhere?

A. No sir.

Q. Look at this Form 1940, sheet 1: what is it for the Joplin division?

A. 6.4 mills.

Q. As against 4½ mills for the entire system?

A. Yes sir.

Q. Am I far out of the way when I say that the cost for Missouri would be about 40 per cent, as against 4½ mills for the entire system?

A. I think you are.

Q. What difference would it make in your figures?

A. I don't know what would make the expenses so high on the Joplin Division; and I wouldn't think the Joplin Division would be a fair representation for Missouri.

Q. The Joplin Division is all in Missouri; that is the reason I took it.

A. The biggest variation I see, just looking at this sheet hastily, between the expenses of the system as a whole and the expenses of the Joplin Division, is in the General Exp-nses; the general expenses of the Joplin Division being more than double what they are on the system as a whole. Of course, that would apply
6406 equally to state and interstate freight.

Q. Take the Illinois Division?

A. The Illinois Division, as shown here, is 2.7. What does the Illinois Division embrace?

Q. It is the Iron Mountain on the east side, St. Louis to Thebes. What is the eastern division there for the Missouri Pacific?

A. May I ask what the eastern division is?

Q. It is from Kirkwood to Rock Creek, and takes in no terminals, either at St. Louis or Kansas City.

A. 3.5. I might say, in explanation of the reason why we did not attempt to use the figures of the different divisions, as shown by these Exhibits 27 and 28, was because we understood from Mr. Johnson that the division figures did not include the terminal expenses; and that in order to get the terminal expenses, we had to take the figures of the system as a whole.

Q. That applied only upon the eastern division, and a like division, where there would not be any terminals, like St. Louis or Kansas City. That is not so as to the rest of the figure.

But what I am driving at is, that you have made a calculation based upon figures for the entire system, when you should have made it based upon figures about 40 per cent higher, should you not?

A. No sir; I have already explained that I think the expenses in Missouri could be less than upon the system as a whole.

6407 Q. I am not talking about what they ought to be, but what they are.

A. I don't know, then, what they are.

Q. You say they are what they are?

A. I say, for the eastern division it is only 3.2. It is much less than for the system as a whole.

Q. Take the St. Louis division, St. Louis to Kansas City: what is it for that division?

A. There is no such division.

Q. What division comprises the lines running across the state: did you take the figures as to that?

A. No sir. We understood from Mr. Johnson that the terminal expenses were not included in those division expenses, and the only figure you can get that embraces all the expenses is the figure treating the system as a whole, and that is why we took it.

Q. You took it from the statement that his figures figured out upon the same basis as those figures?

A. No sir; just as Mr. Johnson told you just now, that the eastern division, which starts at Kirkwood, did not include the St. Louis terminal expenses.

Q. Of course not, because the St. Louis terminal expenses would be in that division of the road.

A. What division? I wish you would show it to me on this statement.

Q. I don't know what it is.

A. Then, Mr. Johnson, or any one else connected with

6408 the Missouri Pacific road.

Q. Take Form 1939, and it will show it.

But the point I am making is, you can take this statement and

figure out the cost per division, and you have taken the average for the entire system, which is on the basis of 40 per cent less than the cost in Missouri, and based your figures on that?

A. We took the only figures that we understood were available, and reliable, and that meant anything.

Q. Form 1939 gives all the St. Louis terminals, and the Kansas City terminals, as separate divisions, doesn't it?

A. I do not so understand.

Q. Look at Form 1939, the first sheet, and that has been the testimony in the case as to the Kansas City terminals, that they changed it some time ago, and made it a separate division?

A. I see no figures here per ton mile, Mr. Hagerman. Nothing that would enable us to apply it.

Q. You have on the other sheets the number of ton miles, and you have on the sheets in different details all the expenses for the divisions, and for the system; and you have on this sheet all the expenses of those terminal divisions. Of course there would not be any ton miles there, because there would be none run.

A. There are no ton miles shown for the state of Missouri on these exhibits. Certainly you could not take the ton miles of the eastern division, which does not embrace St. Louis, and apply that against the terminal expenses.

6409 Q. You find the shipment does it all right, with or without the terminals? That is 40% higher?

A. I understand from Mr. Johnson now, that that includes all the terminals upon the Joplin division.

Q. That is the only reason you can give, practically it was easier to do it your way: isn't that it?

A. No sir, those were the only figures that were available, which we understood were reliable and could be used.

A. Cannot I put it a little stronger, and say it was a little more advantageous to you to take the theory upon the basis of the entire system, where the cost was 40 per cent less than in Missouri?

A. We thought if we had actual figures for Missouri, they would be considerably less than for the system. We thought taking the figures for the system it was against us.

Q. Assuming the cost for Missouri was 40 per cent more, what difference would that make in your figures?

A. It would change them 40 per cent.

Q. That is, your figures would be altogether wrong?

A. To that extent.

Q. And the fact about it is, that these Exhibits 28 and 29 were extended on the theory and for the reason of making a comparison upon certain theories you had, with the system as a whole?

A. No sir. They were gotten up for the purpose of showing as nearly as could be determined, the cost of state freight and the profits results from the conduct of that business as compared with interstate.

6410 I might say now that if you take the percentages shown here, and use that ratio against the state earnings and the interstate earnings, you will come out very closely to the

operating expenses as shown by page 3 of Exhibit 5-*a*, after allowing our estimate of excess charges against the State of Missouri of $480,000 on account of the Kansas City terminals, which to our minds indicate that they are a very close approximation to the actual results.

Q. After all, it is only an approximation?

A. Yes sir.

Q. Let me deal for a moment here with the station and yard services: that is an expense just like the general expenses. Conducting of transportation other than traffic: maintenance of buildings and side tracks: where the length of the haul has no bearing on it, isn't that true?

A. To some extent. It is not wholly true, I do not think.

Mr. HAGERMAN: Let us take the question of station and yard service: there is a fixed expense there: isn't there?

A. Yes sir.

Q. Dealing as you say from the standpoint that the expense must not be coupled with revenue in any way whatsoever, what does the length of the haul have to do with the station or yard service?

A. Well, I should imagine, Mr. Hagerman, and I think even an amateur could realize that, that a car going from New York to San Francisco would use a great many more yards and have a great many more expenses than a car going from St. Louis to
6411 Sedalia. Therefore, I should think the length of the haul would have a vast amount to do with the yard and station service.

Q. I can see how it would be possible, taking the State of Missouri, running clear across the state and running across several divisions, the fact that it crosses those divisions would cut some figure; but when we do not get the use of any of the terminals at the division, what difference would it make whether the car went from Pacific Junction to East St. Louis, or went from Pacific Junction to Alton, Illinois: They would cross the division point once.

A. In the State of Missouri.

Q. In the State of Missouri they would cross once?

A. Yes sir, and in that case the terminal expense of the state and interstate would be identical.

Q. Give us another divisional point, out in the center of the state, Jefferson City, for instance.

A. Yes sir.

Q. What difference does it make whether the haul started at the first station west of the eastern division point and stopped at the first station east of Sedalia, next to the division point; or, whether it started at the closest point east of Jefferson City and stopped at the closest point west of Jefferson City?

A. I do not think it would make any difference. I might express that by saying that where a movement was within the terminals, there would be no difference in the cost.

Q. Regardless of the difference in the haul?

A. Yes sir. Provided it was within the terminals.

6412 Q. And yet you make an iron-clad rule upon your basis of calculating the cost upon the ton mile basis, which must result in dividing any figure we make into two, because of the difference in the average length of haul, don't you?

A. No sir, I double the terminal and yard service in estimating state expenses, because the state freight moves only half as far as the interstate.

Q. Per ton per mile?

A. I double it per ton per mile because it moves only half as far.

Q. Take general expenses: What difference does the general expenses make, whether you run the train ten miles or one hundred miles?

A. I don't think it makes any difference per ton per mile.

Q. Then wht ought the ton per mile basis to be applied to an expense of that kind?

A. Because I think that is the surest basis you can apply.

Q. What do you call "Conducting transportation other than traffic"?

A. I have not attempted to call it anything. I have called it by the Company's designation.

Q. I should probably not have said "what you call it". What is it called in the different statements? It is a term that is used. I do not want a detailed definition, but you understand what the term is, and I wish you would tell me upon what basis or why the length of the haul affects that expense?

6413 A. Because those items of expense include many things that are very largely dependent upon the length of the haul, such as loss and damage, hire of equipment, car service, injuries to persons, the operation of stock yards and elevators.

Q. "The operation of stock yards and elevators": How would that affect it? That is purely a terminal service and would be just like other terminal services, station and yard services, would it not?

A. Yes sir, that is double.

Q. And also "maintenance of buildings and side tracks", would be practically in the same category, wouldn't they?

A. Not "side tracks", because the further you go the more often you use side tracks. "Maintenance of buildings" might.

Q. "Maintenance of tracks" at terminals, and "Maintenance of buildings"?

A. No sir, "maintenance of tracks" at terminals would be dependent upon the length of the haul.

Q. Why?

A. The same example I used a moment ago.

Q. Would not that be exactly like "station and yard service," so that where it was between terminals it would not cut any figure whether it was one mile or 100 miles?

A. No sir. The expense of yard terminals is in handling the freight, and that is as expensive per ton whether the ton goes 105 miles or 52 miles. And the maintenance of sidings and side tracks, because the further the car goes the more it uses the side tracks.

Q. I can see the point you make about the car going
6414 through the state: but take the buildings, sidings and terminals themselves, and you will concede me that as to shipments between terminals, the length of the haul would not make any difference, would it?

A. No sir, I do not think it would.

Q. Mr. Ludlam, according to Exhibits 28 and 29 you have had figured out that it costs a good deal more to do the interstate than to do the state business, instead of the converse, haven't you?

A. Not per ton per mile, no sir, but per ton.

Q. But you figure out on the ton per mile basis.

A. Figured on the ton mile basis.

The MASTER:

Q. That introduces another complication: What do you mean by "per ton figured on the ton per mile basis". I understand the term "per ton", and I think I am beginning to learn something about "per ton per mile", but I do not understand about "per ton figured on the ton mile basis": Now what is that?

A. Exhibits 28 and 29 take as their basis the cost per ton per mile. Then in the case of interstate we multiply that cost by 105, because the interstate moves on the average 105 miles, to get the cost per ton. That gives you the cost per ton of the interstate based upon the per ton per mile cost.

In the case of the state we get the cost per ton per mile, and as that moves on the average 52 miles in the state of Missouri, we multiply the cost by 52 to get the cost per ton, which gives us the cost per ton based upon the cost per ton per mile.

6415 But in making those calculations we figure that the station and the yard service is the same per ton, irrespective of the difference.

You will see in Exhibit 28 and also in Exhibit 29 that we use 17.92 cents as the cost per ton for station and yard service, which is the figure shown by Exhibits 26 and 27, the Company's statement of analysis of superintencents' statement of operation.

Then in the case of train service, engine service, on these statements, we double that cost in one instance and treble it in another instance.

Q. What you mean by the ton, based upon the ton mile, is that the ton mileage has been reduced by the tons?

A. Yes sir.

Q. What was the necessity of that calculation, when you could ascertain the cost per ton by dividing the number of tons into the cost?

A. Because the two classes of freight move different distances. You have to get the cost per ton per mile as your unit. You could not take, according to Mr. Hagerman's illustration, the average of one thousand tons of freight that moved one mile, and one thousand tons that moved one thousand miles each, and say that two thousand tons were moved, and therefore divide 2000 into the expenses, be-

cause that would assume it cost as much to move a ton a mile as to move a ton 1000 miles.

You first determine the cost per ton per mile, and then make your calculation upon the average haul of the two classes of freight.

6416 Q. If I knew the number of dollars I received for transporting so many tons of freight, I would know the cost per ton.

If I knew the number of miles that freight moved, I could readily determine the number of ton miles.

What necessity for complicating that by reducing it back to ton miles?

Mr. HAGERMAN: Take the number of tons, or simply the first example, you would divide your expenses upon the basis of charging 25 per cent in the first instance, on state business, but it would be only 14 if you applied to it the test of the ton mile basis. Therefore it is a confusion of terms, and so you are figuring it out upon the ton mile basis.

Mr. LADD: Let Mr. Ludlam answer the Master's question.

The MASTER:

Q. What is the necessity of introducing that extremely complicated calculation?

A. The necessity to my mind seems to be very urgent. If you take your total number of tons and divide it into your total expense, you assume right at the start, that it costs the same to haul a ton 52 miles, which is the average distance the state freight moves, as it does to haul a ton of freight 105 miles, which is the average distance the interstate freight moves.

You would start immediately on a false premise, if you simply divided the number of tons into the expenses.

6417 Just as I attempted to show in my illustration, it does not cost the same to haul a ton of freight one mile as it does to haul a ton of freight 1000 miles. You must reduce it to a common unit, and after you have obtained that common unit, which is so much per ton per mile, you can say this first ton was moved a mile and at that cost per ton per mile it would be so much. The second ton was moved that much, and at that cost per ton per mile it would be one thousand times that much.

You cannot simply divide your tonnage into your expenses when your elements are entirely different, one being more than double what the other is.

You must get down to a common unit to get a basis that means anything. You might as well say you could run a grocery store and sell kerosene and applies, and that you could take the total number of barrels of each you sold to find out what you realize from your kerosene and your applies, though they are entirely different articles.

One goes 52 miles and the other goes 105 miles.

Mr. HAGERMAN: In preparing Exhibits 28 and 29 why did you start with the cost per ton per mile without going into the other?

A. Because we did not want to stop offhand and so wanted to carry it out to a conclusion that really meant something.

Q. You don't mean to say that either of these Exhibits represent, even upon the theory you produce them, *of a* cost per ton?

A. Yes sir, in my judgment they are a very close approxi-
6418 mation to the cost per ton.

Q. Ascertained upon the basis per ton per mile?

A. Ascertained upon the only unit that is known in the railroad business, that means anything.

The MASTER:

Q. How does the result per ton compare with the primary result obtained in the manner I indicated a moment ago? There are other figures outside of that Exhibit entirely. The total cost compared with the total number of tons. How does it compare?

A. This makes the cost on the basis of the train and engine service being the same, as shown in the first column of each of those two Exhibits 28 and 29 respectively 57.9 cents per ton on the interstate freight, and 37.7 cents per ton on the state freight.

Whereas, if you simply divide it by the number of tons, the cost would be identical. If you have your total number of tons and divide it into your expenses.

Q. Take the amount of state freight and interstate freight that you have, from other Exhibits, and what is the cost per ton, outside of this Exhibit, and how does it compare with this Exhibit? Some of the Exhibits show that.

In other words, whether the cost per ton figures strictly, about or comparatively near, what it figures out in this intricate manner.

A. On the basis of Mr. Hagerman's request a moment ago, taking the expenses as shown by the Company's Exhibit 3-*a*, and dividing
it by the number of tons, the expenses amounted to about
6419 66½ cents per ton for all state and interstate, carload and less than carload freight.

The total cost in the State of Missouri was 66¼ cents.

The cost here of the interstate is 57.9 cents, and of the state 37.7 cents per ton (indicating Exhibit).

Now of course the state is only a small proportion of the interstate freight, therefore the cost of both together on this basis would be reduced just about as much as what we consider the excess charge on the Kansas City terminals amounts to.

Mr. HAGERMAN:

Q. And yet that excess does not enter into the figures at all?

A. The excess cost to Missouri.

Q. That is just an accident, because it does not enter into your calculation in any way.

A. No sir, it is not an accident. It is a mathematical calculation, because in these Exhibits 26 and 27, prepared by the Company, the expenses are properly distributed over all the business of the Company, and not all of the Kansas City terminals charged to the State of Missouri.

The MASTER: Did you deduct the Kansas City terminal expense,

or the proportion that should have been charged to Missouri, in the preparation of those two exhibits?

A. Those two exhibits are based entirely, as stated in the heading, upon the cost per ton mile of the entire system, as shown in
6420 Exhibit- 26 and 27, which are the forms showing the analysis of superintendents' operation. These are not based upon the figures submitted by the company for the state of Missouri. These are based upon the cost on the system, as a whole, on the mileage in the state of Missouri, as shown by Exhibit 14.

Mr. HAGERMAN:

Q. In your Exhibits 28 and 29, in the tabulation of figures, do you endeavor to include there all the items that were included in "Conducting Transportation," in our Exhibit 5-*a*?

A. We included all the operating expenses shown by Exhibits 26 and 27, which we assume are all the operating expenses of the company, the same as shown by Exhibit 5-*a*.

Q. Under the head of "Conducting Transportation", that is to say, excluding taxes, rentals and interest?

A. Yes sir, shown under the head of "Operating Expenses," in Exhibit 5-*a*.

Q. What I want to show is that your 57.946 and 37.745, if you apply those figures, that is the cost per ton. Now, turn to Exhibit 19, and apply those figures to the total tonnage, state and interstate, as shown by Exhibit 19, and where does it bring you in cost?

A. Exhibit 19 gives you the tons for October only.

Q. Well, we will figure that out. Can you do that quickly,
6421 roughly?

A. I cannot do it very quickly, but I will do it as quickly as possible.

Q. It may be that it works out exactly; I don't know. I want to see how that would figure out for the year's cost of transportation?

A. The sum total of the two?

Q. State and interstate.

A. That is, 459,501 tons of interstate, at 57.946 cents; and 151,033 tons of state freight——

Q. Those two large numbers being found in Column 1 of Exhibit 19?

A. Yes sir. The latter tonnage, being the state tonnage at 37.745, amounts to $323,260.85.

Q. That would be for one month?

A. Yes sir.

Q. You said that October ought to be multiplied by about ten or eleven to make it equal twelve months?

A. Something like that.

Q. Multiply it by that, and see what that would bring—either ten or eleven, or both.

A. $3,555,968.35.

Q. Now, turn to Exhibit 5, for 1905, and see what the total cost for operating expenses for the entire year was.

A. $4,203,320.24.

Q. Now what is the difference?

A. $647,351.89.

6422 Q. In other words, if you would apply your figures in Exhibits 28 and 29, and in Exhibit 19, you would have nearly $700,000 more total expenses than were incurred of expenses of that time, during the year 1905?

A. As shown by Exhibit 5-*a* you mean?

Q. Yes.

A. No sir.

Q. What would be the difference?

A. To start with, it would be less instead of more.

Q. I should have said "less": That is to say, you are short that much expense on your figures?

A. No sir. We are short that much expense, multiplying the October figures by eleven, which is only an estimate. When we worked that out exactly, we found the difference was almost precisely $400,000, which represents what we consider the excess charge to Missouri on the Kansas City terminals. Assuming the year is eleven times October, which is only an approximate, the difference is $647,351.69.

Q. If October was only one-twelfth of the whole year, where would it lead?

A. It would leave us $324,082.04 less than the expenses shown by page 3 of Exhibit 5-*a* for the year 1905, and——

Q. Take ten, and where would that lead you? That was one of the estimates given. I think probably ten would be nearer to it than eleven.

A. I would like to complete my answer to your last question:

6423 And the $4,203,320.24, as I have already stated, is something over $400,000, in our judgment, in excess of what it should be.

Q. Take ten times October, and see where that will lead you?

A. I am glad to make these figures, if you want me to do so, but I do not think there is a railroad man in the country who would tell you that the expenses for a month would fluctuate as much as the earnings. Whereas, 10 or 11 times the earnings, during the month of October, might approximate those for the year, the expenses would not vary that much. A large amount of expenses are fixed.

Q. Expenses of that character would depend largely on the volume of the business?

A. These are all expenses of the company, except rental and taxes and interest; salaries of general officers, clerks, and everything of that kind.

If you estimate the expenses of the year at ten times the cost for October, using the tonnage for October as shown by Exhibit 19, and the expenses per ton as shown by Exhibits 28 and 29, the total for the year would be $3,232,698.50.

Q. What is the difference?

A. As compared with $4,203,320.24, as shown by page 3 of Exhibit 5-*a*, a difference of $970,621.74.

And I might state, of course, that if you took three times the expenses of the month of October as an estimate of the year's expenses, the discrepancy would be still greater.

6424 Q. Of course I understand that, but when you were on the stand before you said ten or eleven was a fair multiple to use on any of those figures. And I have asked you to give it, whether one-tenth, one-eleventh, or one-twelfth,—the three ways. And tabulate, if you will, the difference.

One-tenth, is what?

A. I would like to make an explanation first, and say that when I said, roughly, you might multiply the figures by ten or eleven, as shown by Exhibit 19, to make a quick estimate of the year's earnings, I was referring only to earnings, October being a large month for earnings. At that time we were not discussing expenses, and I did not state anything about them.

Q. Well, just tabulate them, there, by the ten, eleven and twelve times, so as to get them together in one answer.

A. Eliminating the expenses of the year at ten times what they would have been for the month of October, using the tonnage shown by Exhibit 19, and the expenses per ton shown by Exhibits 25 and 29, they would amount to $970,621.74 less than the expenses shown by page 3 of Exhibit 5-*a*.

Using eleven times, they would amount to $647,351.89 less.

Using twelve times, they would amount to $324,082.04 less.

Q. Now, Mr. Ludlam, regarding all these items where I was speaking of stationary expenses, and which you conceded ought not be based upon the length of the haul, or that the length of the haul has nothing to do with it, whatever may come within that

6425 classification, it is a fact that the Railroad Commissioners, and the Railroad Experts, in compiling rates, always do take into consideration, or try to take into consideration, that the longer the haul the more that stationary expense is spread out, and therefore the less the revenue per ton per mile, or the rate charged per ton per mile: isn't that a fact?

A. The only thing I ever knew the traffic department to consider was what they could get out of it.

Q. Let us leave the traffic department out of it, because that seems to create some feeling on your part: let us take the Railroad Commissioners.

A. There is not the slightest feeling on my part.

Q. Take the Railroad Commissioners: isn't that the basis upon which they act?

A. They recognize that the short haul business pays more per ton per mile than the long haul.

Q. And that enters more or less into the question of rates?

A. The length of the haul?

Q. Yes, per ton per mile.

A. Yes sir.

Q. This Act of 1905 contains that feature in it?

A. Yes sir.

Q. That is, the longer the haul, the less the rate?

A. Yes sir.

Q. And in that way, when you take those stationary expenses, of the terminals especially, the longer you spread it out, the less the expense per ton per mile; isn't that true?

6426 A. That applies to certain items. I would not say it applied to all items.

Q. I assume for the purposes of this question you are answering only as to those items which may be found to be such as are not dependent upon the length of the haul; you and I may differ as to what items are of that character; but, assuming there are items of that character, that is the theory, isn't it?

A. Assuming there are items of that character, the expense per ton per mile would be greater on the short haul than on the long haul.

The MASTER:

Q. If there was only one item of that character, that would be the result?

Mr. HAGERMAN: He said as to all items of yard and station service, that takes place between terminals.

The MASTER:

Q. Yes, but if there is a single item of the sort you mention, the application of the effect of that item would be to reduce the expense per ton per mile, as that is spread over the entire system?

A. I meant such items as were affected by that. Not that I considered all of the items in the general expenses would increase that way.

Mr. HAGERMAN:

Q. What items in the general expenses would you say were effected in any way by the long haul?

A. Oh, the traffic department, very materially. They give almost all their time to the long haul business. They devote very little of it to the short haul business.

6427 The attention of the general officers is much more largely taken up by the competitive business, making contracts with other roads, and negotiating with other companies, than in handling the local business.

Q. What percentage of the time, do you think, is taken by traffic men in giving particular attention to getting the long as distinguished from the short haul business?

A. As I said, practically all of it.

Q. That is upon the theory that there is more profit in the long haul than in the short haul business?

A. No sir, that is upon the theory that the short haul business takes care of itself, and has to come to them; but they have to go after the long haul business. There is no use going after what is coming to you anyway. Of course, a man would be foolish to spend his time in going out after business that was bound to come to him, on the Missouri Pacific Railway; Whereas, he would spend

an immense amount of time trying to get business between St. Louis and Pueblo.

Q. Take roads like the Burlington, which is crossed at all points by other roads, so it has competition at every important station on its line: If your argument holds good, that practically all the expense of the traffic department is in looking after the long haul business, it would not apply to any short haul?

A. "Competition" would probably have been the better term to use than the "long haul." It is a general proposition that the further you go, the more competition you meet—that is an old railroad saying.

6428 Q. You understood to eliminate from these expenses that ought not to be spread out, practically all the expenses of the traffic department, upon the basis that the length of the haul cut a figure; now you modify that, and say it is competitive point?

A. I did not modify it. I simply amplified it, to make my meaning clear. That is what I meant to do.

Q. Your idea is, that there is not more money made on the long haul business than on the short haul?

A. No sir, not per ton per mile.

Q. I am not talking about per ton per mile. That is one of the differences between us. We have a property here upon which we must have a return. That is what we are looking after. You may be wrong, and I may be right, or I may be wrong, and you may be right, as to how to ascertain that. So you do not aid us any when you say "per ton per mile."

A. I cannot compare it in any other way.

Q. The only way I can compare it is by way of the investment.

A. I don't think you could. Let me ask you, to illustrate, to show you that you couldn't: A shipment from St. Louis to St. Charles, of a ton of freight, you would not expect the railroad company to make as much profit on as on a ton of freight from St. Louis to San Francisco. Therefore, while you might say they make more on the long shipment, they ought to, because it is days in transit, and is going thousands of miles. You must reduce it to a unit, to permit a comparison, which will mean anything.

6429 Q. But every time you are asked a question of whether it costs more, or the revenue is more, you add to it the phrase "per ton per mile."

A. Yes sir.

Q. That is just a method of ascertaining the thing, isn't it?

A. Yes sir.

Q. What I want to know is, whether in the light of your experience you would undertake for one moment to say that upon the money invested in the property, more money is made upon the state business, or the short haul business, than there is upon the long haul business?

A. I will answer that by saying that in my judgment, after a very careful study of the situation, the Missouri Pacific Railroad made more actual net revenue out of the one and a half million

dollars of state freight business that they did in the year 1904, and the same amount in the year 1905, than they did out of the four million and odd dollars of interstate business.

Q. That is, regardless of how you ascertain it?

A. Yes sir.

Q. Regardless of "per ton per mile"?

A. It is not regardless of how you ascertain it, because I spent an immense amount of labor to reach that determination.

Q. Let us come back to the question, because if it takes a week I am determined to get your best judgment about it.

A. I am willing to give it.

6430 Q. You may be right, or I may be right, but in the end, the question is decided by the investment and the returns upon i-. Do you say, taking it altogether, and regardless of how you arrive at the result, that the short haul business is preferable, and more revenue is made out of it, than out of the long haul?

A. Per ton per mile——

Q. No sir, irrespective of the per ton per mile. That is a theory. Irrespective of that, and just as a general proposition?

A. I cannot compare it, unless you have a whole state. Take Missouri; I have compared Missouri, and have told you that in my judgment they have made more actual money out of the one and a half million dollars of state business than they did out of the four million dollars of interstate business. That is my best judgment.

Q. Regardless of how you estimate it?

Mr. LADD: He told you how he gets at it.

Mr. HAGERMAN: I don't know, and I shall not desist until the Master stops me. The witness cannot dodge the question of giving me his best judgment upon the matter.

Upon this property, or any railroad property in Missouri——

Mr. LADD: It is hardly fair to Mr. Ludlam to say he is trying to dodge an answer.

Mr. HAGERMAN: He puts his theory in every time.

The MASTER: The difficulty is this: Mr. Ludlam repudiates any other theory, in arriving at the judgment he has reached,

6431 than the ton mile. He will not admit the possibility of arriving at it in any other way; therefore, he puts in the only theory he has.

Mr. Hagerman, you may put the question without respect to his theory, and if he can give an answer, without respect to the only theory he has, he may do so.

Mr. HAGERMAN: I understand, Mr. Ludlam, and I am not criticizing him for exercising his judgment. He is entitled to do it, just as much as I am entitled to exercise mine, and you yours, in the end. But this is the question I wish to ask him:

Eliminating the ton mile, what do you say about that?

A. I would not express any off-hand opinion as to the relative cost or the relative profits of the two classes of business, except as the result of mathematical calculations which I have made. I

have seen too many opinions expressed in this case that were in my judgment altogether wrong, to care to express just an off-hand opinion.

The opinion I have expressed is based absolutely on the figures we have made, and the study we have made, and the work we have done, in this case, and it is all predicated on the per ton per mile cost.

Q. And, unless you can predicate it upon the per ton per mile basis, you have not any opinion to express?

A. I would not care to express an opinion, except it was worked out on the most reliable and scientific basis that could be
6432 obtained.

Q. You have not, and did not intend to express any opinion whatsoever, except it is based upon per ton per mile basis; Am I right about that?

A. Yes sir, you are right.

The usual hour for adjournment having arrived, the further hearing of testimony herein was adjourned to tomorrow, Saturday, March 2, 1907, at ten o'clock A. M.

At the request of counsel representing both *dies*, the further hearing of testimony herein is adjourned to Tuesday, March 5th, 1907, at ten o'clock, A. M. then to be resumed in the Federal Building, in the City of St. Louis, Missouri.

6433 ST. LOUIS, MO., *March 5th*, 1907.

At the request of Counsel, the hearing is postponed until Wednesday, March 6th, 1907.

ST. LOUIS, MO., *March 6th*, 1907.

Met, pursuant to adjournment as above, on Wednesday, March 6th, 1907, at ten o'clock, A. M. in the Federal Building City of St. Louis, Missouri.

Present: Hon. F. L. Schofield, Special Master; Mr. Frank Hagerman appeared in behalf of the Complainant.

Messrs. S. B. Ladd and John Kennish appeared in behalf of the Defendant.

The following proceedings were had.

Cross-examination of C. S. LUDLAM Continued as follows.

By Mr. HAGERMAN:

Q. Exhibits 28 and 29 were gotten up on the theory, first, that the first column, headed "Single Cost", was based on the figures taken from Form 1940 or Form 1941?

A. Yes sir. I would like to say there, that both of those forms 1940 and 1941, being Exhibits 26 and 27, include the Company freight; whereas Exhibit 19 and Exhibit 5-*a* relate to revenue freight only.

Q. But Exhibits 28 and 29 would include the Company freight?

A. Yes sir.

Q. Then you take the different items, under the heading of

"Single Cost", in the first column, and give the cost ascertained upon the basis of Form 1940 and 1941?

6434 A. Yes sir.

Q. And then you apply your multiple to such portion of the items as you think there ought to be an allowance for increased cost, and for nothing more: isn't that the theory upon which you have gotten it up?

A. I allow an increased cost on the items of "Train Service" and "Engine Service".

Q. But on nother else?

A. But on nothing else per ton; although I apply the same cost for station and yard service to both the state and the interstate.

Q. I understand that: But before I get now to the difference in mileage: you take, of the items constituting "Conducting Transportation" those that cover train and engine service, and allow an increased cost on state over interstate, on account of those items?

A. Yes sir.

Q. But on nothing else?

A. Well, I think I would say there was an allowance for increased cost of station and yard service, inasmuch as the same figure is used in both cases, and the mileage is different.

Q. Which is the item of train and station service—that is the first one?

A. Station and yard service is one.

Q. That is the first item in Exhibits 28 and 29?

A. Yes sir.

Q. That same figure seems to have been carried through where you double the cost of doing the state business, and where

6435 you treble it?

A. Yes sir.

Q. Therefore, I assume you did not apply, in your judgment, any increased allowance on that item?

A. No sir. That item was the cost per ton, without regard to the distance hauled.

Q. Why do you, as to one of the items, put it as to the average cost per ton, regardless of the distance hauled, so as to make it the same in both cases; and then as to the other items, in every one of them, use the per ton per mile basis?

A. Because we think the tonnage would be a more correct basis for the first item, and that the per ton per mile would be the more correct basis for the rest of the items.

Q. Separating the two for the first item, at least for station and yard service, you think it would not do to take an item like that and deal with it on the per ton per mile basis, in any way whatsoever?

A. I think the basis of the number of tons is fairer.

Q. And you do think the per ton per mile basis ought not to apply to station or yard service?

A. Not to the same extent as it would to the other items, although I do think the station and yard service is greater for the long haul than it is for the short haul.

Q. You have gotten these statements up on the theory that, as

far as station and yard service are concerned, there should not be any calculation made on the per ton per mile basis, haven't you?

A. I would not say I had gotten these up on the theory that they should not be, but rather on what the results would be if there was no extra allowance.

6436 Q. You did get them up on the theory that there should not be any extra allowance?

A. Yes sir.

Q. And you did that because, as you said a moment ago, you thought it would be fairer?

A. Yes sir.

Q. What do you say as to the maintenance of way at terminals, and maintenance of structures, and equipment; would not the same rule apply?

A. No sir, I don't think so.

Q. What difference would you make in that case?

A. Because the tracks at the terminals are used more in proportion to the length of the haul, than the station service or the yard service.

Q. Would that be so as to the buildings?

A. No sir, I don't think it would.

Q. That is, the average cost per ton, as distinguished from ton mile, would be the fairer basis, as to that?

A. Yes sir, I think it would, although, of course, in that connection you will have to consider the fact that taking the less than carload business as a general proposition, the further it goes the more often it would be transferred, and the more it would use those buildings.

I might say in that connection, that the printed report of the Company——

Q. You mean the Annual Report?

A. No sir. Sheet No. 7 of Form 1930 shows that of the total maintenance of way and structures expenses during the year

6437 ending June 30, 1906, amounting to $5,378,125.37, only $342,796.02 related to maintenance of buildings and grounds.

Q. So far as maintenance of buildings and grounds is concerned, you would say the same thing as to this first item, of station and yard service, that the fair way to deal with that would be on the per ton basis, as distinguished from the per ton mile basis?

A. Yes sir, I think that would be a fair way.

Q. Are there any other elements of expense, not limiting yourself to "Conducting Transportation", but to the expenses as we set them out, on the assumption that they are proper expenses, where you would ascertain the expenses per ton, as distinguished from per ton mile, as the fair method?

A. No sir, there are none that occur to me.

Q. That is, none of the general expenses should be dealt with in that way?

A. No sir. In connection with the general expenses, I would say that the movement of freight was under the jurisdiction of the general officers just as long as it was on the road.

Q. Let me get these different items and see. Take the maintenance of way and structures: should that be dealt with in that way?

A. No sir.

Q. Or maintenance of equipment?

A. No sir.

Q. Outside of what you have said as to "Conducting Trans-
6438 portation", as shown by Exhibits 28 and 29, you would not apply the ton basis, as distinguished from the per ton mile?

A. No sir.

Q. Take "Loss and Damage"?

A. I think it is fairer to distribute that on the basis of per ton per mile.

Q. But suppose this loss and damage came from this yard and station service, which you distinguish on the per ton basis, from the per ton mile basis?

A. I think the further your freight goes, and the more times it is interchanged with other lines, the more apt you are to have loss and damage claims.

Q. I am talking about the loss and damage and injury claims that come from this station and yard service, which you divide on the per ton basis, as distinguished from per ton mile: If that is fairly divided in that way, as you say, why should the injuries to persons, or loss and damage from that particular service, be distributed on the per ton mile basis?

A. I think that is the fairest way to distribute it. I think the further the freight goes, the more apt you are to have loss and damage, and the more likelihood there is to be injuries to persons, and property.

Q. Speaking for myself, I cannot for the life of me see, if you are right, that as to station and yard service the expense should be ascertained per ton, as distinguished from per ton mile, why such portion of the loss that arises from station and yard service
6439 should not be distributed in the same way?

A. There is no way, so far as I know, of determining what proportion of the loss and damage results from the terminal and yard service——

Q. Suppose in the station and yard service a man is injured on the engine while it is engaged in yard service?

A. It is charged just the same as if he were injured while out on the road.

Q. Suppose property is injured in the yard service?

A. It is charged just the same. And, further more, a shipment of freight moving through two terminals, assuming the terminal is responsible for the larger part of the damage, would be twice as liable to loss as a shipment moving through one terminal.

Q. Taking the item of "General Expenses", you would distribute all the general expenses per ton mile, and not per ton, wouldn't you?

A. Yes sir.

Q. And yet a great portion of that would not necessarily be dependent upon the haul at all, would it?

A. I should think it would apply altogether to the haul, Mr. Hagerman.

Q. You cannot conceive of any item of general expenses, including agencies and advertising, that would not be dependent upon the length of the haul?

A. No sir. I would think the time of the agents, which
6440 would be included in general expenses, if there is any, and the advertising, would apply more to the long haul business than to the short haul business.

Q. The point I am making is, there is not an item under the head of "General Expenses" but what ought to be divided upon the basis of the length of the haul?

A. That is my judgment.

Q. That is all I am asking you for.

Taking the question of taxes, would you deal with taxes in the same way?

Of course, you do not treat, in your exhibits, at all of taxes as expenses, but I am assuming now, on our side, that it is an expense. If you were going to deal with it, what would you say about that? Would it be fair to deal with it on the basis of per ton, or per ton mile?

A. I should say, off-hand, it would be fair to distribute that on the basis of ton miles. But before expressing that as a definite opinion, I would want to study somewhat the tax laws in this State.

In some states—I am not sure it is so in this State—the question of earnings is an element that is considered when taxes are assessed. And in the case of franchise values that would be particularly so. If that entered into the taxes assessed in the state of Missouri, and the earnings were greater per ton on the state freight, or per ton per mile on the state freight, then it would probably be fair to assess a larger proportion of the taxes to the state freight.

Q. Notwithstanding that a portion of the taxes might be charged upon these very things it would be fairer to estimate the
6441 average cost per ton as distinguished from ton miles, still your judgment would be that upon the taxes it should be measured in accordance with the haul?

A. There are no items, I believe, upon which I said it would be fairer to assess upon a ton mile basis, that would relate to taxes, except maintenance of buildings; and that would be such a small proportion of the whole that it would not cut any perceptible figure either way.

The main item which I said I thought it would be fairer to distribute on the basis of the tonnage rather than the ton miles, is the station and yard service expense.

Q. That you have already allowed for, in your Exhibits 28 and 29?

A. That is mainly labor and supplies, and would not be subject to taxation.

Q. I would say that if you had any right to set aside the station and yard service on that account, the things which were used in that

station and yard service ought to be based in the same way; You won't go that far, will you?

A. Hardly that far, because, as I have said before, those tracks in the terminals, and the buildings in the terminals are used more the further the business goes.

Q. What would you do with the interest on the bonded indebtedness?

A. We have not considered the subject of interest on the bonded indebtedness.

Q. But I am considering it now, on the assumption that it is something which should be considered.

6442 A. I would like to say, since you have raised the point, that we have not checked the interest and found it correct, because we did not check that item. We thought the interest was a question that would be applied to the value of the property, which would be passed upon by the Court.

Q. I have passed by Exhibit 5-*a* as being correct. You can check that, con't you, by the Annual Report?

Mr. LADD: We do not criticise that item. But Mr. Ludlam thought it had been checked.

Mr. HAGERMAN: I went through with considerable pains and took considerable time to find out just what items were objected to. Now, as I understand it, you are not criticising it, but all you want to say is that Mr. Ludlam personally did not check it up?

Mr. LADD: That means the amount, of course. We do not attack the amount, but assume that it is correct.

Mr. HAGERMAN:

Q. Assuming that we are to make a distribution of interest on the bonded indebtedness, wouldn't you say the fairer way would be to distribute the proportion that applied to these fixed items, where you say it ought to be ascertained upon the cost per ton, as distinguished from the cost per ton mile, and should apply to that?

A. Yes sir, in the case of those items where I say it would be fairer to apply it on the per ton, rather than per ton mile, I would say the interest, where it relates to those items, should be correspondingly distributed.

Q. That is to say, wherever it is interest upon those items where you said you would use the per ton, as distinguished from per

6443 ton mile, that interest should be applied likewise?

A. Yes sir.

Q. So the result of all this distribution is, according to your judgment, the expenses as to certain items, ought to be ascertained per ton, and as to others upon the per ton mile basis.

A. I said I thought, in the case of station and yard service, it would be fairer upon the per ton basis; and in the case of maintenance of buildings, possibly.

Q. So, when you get to the end of it, possibly, like the expression you used in reference to the valuation of the property, if you wanted simplicity the revenue basis would be the simple way—That is, regardless of your judgment as to fairness?

A. I said the gross earnings would be a simple way to distribute the value of the property.

Q. Well, I will say "a simple way": So far as ascertaining the cost, the gross earnings would be a simple way?

A. No sir.

Q. It would not be a simple way? In the distribution of the total expense of the doing of the business in Missouri, as between state and interstate, would not the simplest way you can conceive of be on the revenue basis?

A. Yes sir, the simplest and the most inaccurate.

Q. I will give you the benefit of your judgment as to the inaccuracy; but so far as simplicity is concerned, that is true?

A. It would be very simple.

6444 Q. All on earth you would have to do would be to ascertain what percentage of the revenue was state, and then take that percentage of the total expenses: isn't that true?

A. Yes sir.

Q. Now, then, the average haul you ascertained to be 105 miles, based upon your Exhibit 19?

A. Yes sir.

Q. And that is as far as you use Exhibit 19 in either Exhibits 28 or 29, is it?

A. No sir, we also show on the next to the last line on each exhibit, the average amount received per ton on each class of freight.

Q. By Exhibit 19?

A. Yes sir.

Q. So, in the preparation of this Exhibit, in the first line, you get the average cost per ton, according to Form 1940?

A. Yes sir.

Q. And then you get the other items on the basis of tons per mile, from Form 1941?

A. Forms 1940 and 1941.

Q. But when you come to the next to the last column, for the purposes of comparison, you set out the average amount received per ton, as shown by Exhibit 19?

A. Yes sir.

Q. And then you use the haul, as shown by Exhibit 19, for the basis of the second and third columns of figures in each exhibit, where you have doubled or trebled?

6445 A. Yes sir.

Q. The use of the average haul does not enter into the first column, at all, does it?

A. No sir.

Q. Those are just the figures exactly as they appear in Forms 1940 and 1941?

A. Yes sir.

Q. Now, let us take Exhibit 30: what does that purport to be?

A. That purports to be a statement of the gross earnings, operating expenses, and net earnings of the freight business of the Missouri Pacific Railway in Missouri, during the calendar year 1905, on various bases.

Q. Let me go through and get that: In the first instance, you take the interstate freight earnings, as shown by Complainant's Exhibit 5, page 3?

A. Yes sir.

Q. And you take 80.99 per cent thereof as having been derived from the carload business?

A. Yes sir.

Q. Upon what do you base that calculation of 80.99 per cent being composed of carload business?

A. The analysis of the month of October, 1905, shown by Exhibit 19, showed that 80.99 per cent of the total interstate freight earnings were derived from the carload business.

Q. Where does 80.99 per cent. appear in Exhibit 19, if it appears at all?

A. It does not appear in Exhibit 19, but the freight earn-
6446 ings from interstate business are shown by this Exhibit to amount to $377,704.90.

Q. That is in column 3 of Exhibit 19?

A. Yes sir. And the same exhibit, and the same column shows, that of that amount $305,905.31 was derived from the carload business; and $305,905.31 is 80.99 per cent of $377,704.90.

Q. You ascertained the percentages from the figures given in Exhibit 19, and applied them to the figures in Exhibit 5, did you?

A. Yes sir.

Q. And yet, if Exhibit 19 be carried out upon the basis of one-tenth, one-eleventh, or one-twelfth part of a year, there will be a very substantial difference between Exhibit 5 and the result, will there not?

A. No sir, the ratio or percentage will be exactly the same, because, whether you multiply by ten, eleven or twelve, you multiply each one of those figures by the same number.

Q. But what I am getting at is the 19.01 is ascertained by the same method of calculation, on your Exhibit 19 as to less than carload business?

A. Yes sir.

Q. You say "Interstate earnings from service incidental to freight traffic" have been added to earnings derived from interstate carload business: what does that mean?

A. Exhibit 5-*a*, page 3, shows that the interstate earnings from services incidental to freight traffic amounted to $231,043.79, and that means that after having divided the interstate earnings
6447 as shown by Exhibit 5-*a*, between carload and less than carload, on the basis of the percentages shown by Exhibit 19, that the earnings incidental to the freight traffic have been added to the carload business, those earnings being almost exclusively derived from carload business, switchings, demurrage, etc.

Q. Why should switching be derived exclusively from carload business? Don't they switch cars containing less than carload lots, and don't they charge demurrage on cars containing less than carload lots?

A. They might switch cars containing less than carload lots, but they would not charge demurrage on less than carload lots.

Q. Why? If a less than carload lot would come to me as the last person to whom it was being delivered, and I would keep the car, demurrage would be charged on it, wouldn't it?

A. No sir. The freight in the car would be unloaded into the warehouse, and the car would become immediately available?

Q. At all times?

A. As a general proposition.

Q. Suppose it was delivered at a public warehouse—that is not an inconceivable thing, is it?

A. In the sense you use it, I think it is.

Q. Suppose it is unloaded at the warehouse of a connecting road?

A. In either case, the car would become immediately available.

6448 Q. But suppose it would not; suppose the company would not give the car back; demurrage is nothing more than a charge for the use of a car over a given length of time?

A. One railroad company does not charge another railroad company demurrage.

Q. It would have to be an independent warehouse company before there could be any demurrage charged?

A. I would not say that. That would not have anything to do with the question. The question would be whether the freight would remain in the car, and whether they would pay demurrage on the car.

Q. My understanding is, that if a railroad company's equipment is out of its hands a certain length of time, it is paid for. If the shipper has it, it is called demurrage; and if some other railroad company has it, it is paid upon some agreed basis under Car Service rules; isn't that all the difference?

A. Yes sir. But that would not apply to less than carload business.

Q. For the purposes of the argument, we will pass that; and you must concede that the less than carload business is switched, and that earnings from switching would cover less than carload as well as carload business?

A. No sir. They do not collect earnings for switching less than carload stuff. That is unloaded at the warehouse,—that is, as a general proposition. I do not say that the Missouri Pacific Railway at Kansas City might not, as an accommodation to the Chicago, Milwaukee & St. Paul, switch a car that might happen to have a

6449 few less than carload shipments in it. But even so, that would not be regarded by the railroad company as switching charge on less than carload business.

Q. I do not know where you get the right to charge, in your judgment, all the switching to carload lots, except that is arbitrarily your judgment that it should go there.

A. I do not charge it, but credit it. And in the second place, as it is earnings from interstate business, it is absolutely immaterial whether you put it in carloads or less than carloads, because these

figures are intended to distribute altogether between state and interstate business.

Q. You did take that $231,000 and add it to the carload business, regardless of whether it was earned in the carload business, or not?

A. We added it to the carload business, but I would not say "regardless", because we have no question but that at least — per cent of it came from the carload business.

Q. But you have no knowledge upon the subject?

A. Oh, yes, we have knowledge, from our examination of the Company's accounts.

Q. Anything more than you have explained?

A. No sir.

Q. Take your second assumption: you assume the state freight earnings to be $1,632,856.14, as shown by Exhibit 5?

A. Yes sir.

Q. And then you calculate the percentage as between carload and less than carload business, from Exhibit 19, the same as you
6450 did with the interstate business in your first assumption?

A. Yes sir.

Q. In the first assumption you took the interstate freight earnings, $3,777,390.45?

A. Yes sir.

Q. And have you compared that with Exhibit 19, the interstate gross earnings for the one month, $377,704,907.

A. Yes sir.

Q. Or, about one-tenth?

A. Yes sir.

Q. Then you take in the second assumption the $1,632,856.14 from Exhibit 5-*a*, and if you apply the gross revenue from the state carload business for the month of October, as shown by Exhibit 19, what proportion is that—about one-twelfth, or more?

A. You mean state carload, or total state?

Q. Total state.

A. It would be something less than one-twelfth.

Q. In round numbers, about one-twelfth?

A. Yes sir.

Q. So Exhibit 19 has this situation surrounding it: that as to the total interstate business, it is about one-tenth of the total interstate, as shown by Exhibit 5; and as to the total state revenue it is about one-twelfth?

A. Yes sir.

Q. In the same way, in this second assumption, upon Exhibit 30, you add the amount of $25,671.53 earnings from services
6451 , incidental to freight traffic, to the state carload business?

A. Yes sir.

Q. Of course, it is more favorable to your figures, and for the purposes of your comparison, to get as much in the state carload business as possible, isn't it? That is to say, the more you can get in the carload business, the more favorable your showing upon your theory?

A. No sir, because the premises that follow in this exhibit are

that the state carload business costs twice as much as the interstate carload business per ton per mile; whereas, the state less than carload businss is figured to cost the same per ton per mile as the interstate less than carload business. So, when you increase the state carload business—No,—no, that would not apply to the distribution of the expenses.

Q. But what I am getting at is, that the general statement, for the purposes of the showing you are attempting to make, by Exhibit 30, is that the more that would go into the state carload business, the more favorable the showing according to your theory?

A. I don't think so.

Q. Suppose you take them out, would it be any less favorable to you?

A. No sir, I think if the comparison were made, excluding miscellaneous earnings in both state and interstate, the comparison would be more favorable to us, because the state earnings are over one-third of the interstate earnings from the entire
6452 business in both cases, as shown by Exhibit 19. Whereas, the miscellaneous earnings are only one-tenth of the total apportioned to the state.

Q. Suppose a substantial part of those earnings incidental to freight traffic, were taken out and put into less than carload; would it make any difference?

A. It would not make any difference at all in the final figure of net earnings.

Q. It would not affect the result in any way?

A. Not the final result of the state business, whether you put them into the carload or less than carload business.

Q. I am not asking you about the final result on state business, but I am asking you, for the purposes you are putting in this statement, for your purpose of making the best showing, that if you take out a part of that stuff, incidental to freight earnings, and put it in the less than carload lots, your showing would not be as favorable for your theory?

A. We were not considering the question of whether it was favorable or unfavorable to our theory.

Q. I am not saying you were. Mr. Ludlam; but if they were taken out and put there, it would not be as favorable to you?

A. We put them in there because we thought they properly belonged there, and that it was the only place to put them.

Q. Let me give you credit for doing everything fair, and for no other motive on earth, but answer my question fairly: if that portion of them were taken out and put into the less than carload lots, it would make a showing less favorable than that which you
6453 . are seeking to make for the State?

A. No sir. it would not make the slightest bit of difference, in my judgment, whether we credited it to state less than carloads, or state carloads. It would still be credited to the state.

Q. And it would not, therefore affect your showing in any way?

A. Not in the total, but it would the distribution between carloads and less than carloads.

Q. That is the whole purpose of the exhibit, to show that?

A. That was not my understanding of the exhibit, then. My understanding of the exhibit Mr. Hagerman, was to show the result from the state business, and the result from the interstate business.

Q. We will pass now to your third assumption: that is to say, that the Company's earnings in Missouri from the interstate carload business averaged 6⅞ mills per ton per mile: that is based entirely upon Exhibit 19?

A. Yes sir.

Q. And you take, for the purposes of the assumption, these figures from Exhibit 19?

A. Yes sir.

Q. And the fourth assumption is taken solely from Exhibit 19?

A. Yes sir.

Q. That is to say, that the Company's earnings in Missouri
6454 from interstate less than carload business averaged 2.81 cents per ton mile?

A. Yes sir, approximately.

Q. Your next assumption is as to the state carload and state less than carload business, based wholly upon Exhibit 19?

A. Yes sir, the next two assumptions, the fifth and the sixth.

Q. What is the seventh. You assume the total operating expenses of the state carload business as being twice as much per ton mile as the total operating expenses of the interstate carload business: Now, what did you include in total operating expenses?

A. The total operating expenses as shown by the original statement filed by the Missouri Pacific Company.

Q. As shown by Exhibit 5?

A. Yes sir; of $4,234,884. These expenses were subsequently corrected by the Company, as shown by Page 3 of Exhibit 5-*a*, to $4,203,320.24.

Q. But it is the total operating expenses for 1905, from the Company's Exhibit 5, that you have assumed to be the total operating expenses in your seventh and eighth assumptions here?

A. Yes sir.

Q. Then as to the carload business, you estimate that it costs twice as much per ton per mile to carry the state carload business as it does the interstate?

A. This exhibit is prepared on that basis.

6455 Q. Why did you prepare it upon that basis? Did you believe it to be true?

A. No sir.

Q. Why do you make up a statement and bring it into the court, if you do not believe it to be true?

A. To show what the result would be if the state carload business did cost twice as much per ton per mile as the interstate carload business.

Q. That is the sole reason why you have gotten it up on that basis?

A. And to meet certain testimony that has been given.

Q. What testimony have you in mind, that it is to meet?

A. That the state carload business costs a great deal more for all the operating expenses than the interstate carload business.

Q. Upon what testimony in the case is the statement cased, or can you find any foundation for the statement that the state carload business costs twice as much per ton per mile as the interstate carload business: can you tell me any testimony upon which it is based?

A. Mr. Miller's testimony.

Q. Mr. Miller has not testified in this case. Is there anybody else?

The MASTER: Mr. Miller testified in the Wabash case.

Mr. HAGERMAN: I am talking about this case. This exhibit is prepared for the Missouri Pacific case.

A. I cannot recall any testimony just now. I am not sure
6456 but what Mr. Elliott and Mr. Stewart referred to that.

Q. In your judgment, what is the extra cost of doing the state carload business over the interstate carload business?

A. Somewhere from ten to twenty-five per cent.

Q. Take the eighth assumption: I believe you said the total operating expenses there were the total operating expenses as shown by Exhibit 5; that includes taxes, rental, and interest?

A. Yes sir.

Q. And you have prepared that upon the basis of the less than carload state business costing three times, five times and seven times as much per ton per mile as the interstate carload business?

A. Both the state and the interstate costing that.

Q. Excuse me, but I did not gather the meaning. In other words, this is based upon the theory that both state and interstate less than carload business costs three, five or seven times as much as the interstate carload business?

A. Yes sir.

Q. That is surely based upon nobody's testimony. That is the first time I have heard any comparison of that kind made. If you can refer me to anybody's testimony, I should like to know whose it is. I have been assuming as you approached that question that you were making a comparison between state carload and interstate less than carload, but I see I was wrong about that. Upon what testimony do you base that statement? Any at all?

A. Yes sir. There has been a great deal of discussion as
6457 to the question of carload and less than carload. I don't know that I could say that this was based upon anybody's opinion as to relative cost.

Q. If it is based upon anybody's opinion, it must be upon your own, because every witness for the Complainant has said, taking everything into consideration and lumping the whole thing, he would not attempt to distinguish.

Now, how much more do you say it costs to do the less than carload, both state and interstate, than the interstate carload business?

A. I would make an estimate on that, on the less than carload business, both state and interstate, costing somewhere from three

to five times as much per ton per mile as the interstate carload business.

Q. Wouldn't you give us this benefit of it, Mr. Ludlam, that however the cost is ascertained, if it is accurately ascertained, that that multiple should be used?

A. The multiple I have just given you?

Q. Yes.

A. I thought my statement covered that point.

Q. No sir, your statement says "per ton per mile," and it may be right, and it may be that you are right, and that is the way to ascertain the cost, or it may be that I am right, or that some other witness is right, and that it should be ascertained in some other way: but are you willing, however it is ascertained, and whatever it costs, whether it costs three, five or seven times as much, or from three to seven times as much, to do the less than car-
6458 load business, both state and interstate, as it does to do the interstate carload business—Would you be willing to go that far?

A. No sir, I would not be willing; if it was determined that it was proper to assume, for instance, that the ton basis was the correct basis, I would not be willing to say that in my judgment it would cost from three to five times as much to move a box of drygoods ten miles as it would cost to move a car from New York to San Francisco.

Q. What I am trying to get at, is, will you leave it to the judgment of others, the way to ascertain the cost, assuming it could be accurately ascertained in the first instance what the cost was to handle the interstate carload business, and you are going to accurately ascertain that, you would be willing to say that in your judgment it cost- from three to seven times more to handle the less than carload business?

A. If you can reduce it to a unit I can compare it with, I would.

Q. And without that you would not?

A. No sir.

Q. In other words, in regard to this question comes the situation we had the other day,—Eliminate the question of ton miles, and you would not give any opinion whatever?

A. No sir, I would not compare a known quantity with an unknown quantity.

Q. Cannot you in fairness answer as you did the other day, that unless you can base your opinion upon the ton mile basis you will not give any opinion at all?

A. Yes sir.

6459 Q. You are willing to say that?

A. Yes sir.

Q. Turn to page 2 of this Exhibit 30, and to Item 6, the total state business: the first figure showing the gross business is taken from Exhibit 3, is it?

A. Yes sir.

Q. And your item of operating expenses is taken from what, from the calculation made on this exhibit?

A. Yes sir.

The MASTER:

Q. Before passing from the subject just under consideration, Mr. Ludlam, have you any opinion as to the relative cost per ton mile of transporting the state less than carload, as compared with the state carload business? You compare both in this statement with the cost of the interstate carload business: Have you any opinion as to the relative cost of state less than carload and state carload business per ton mile?

A. I should say, in a broad sense, that it would cost somewhere from three to five times as much, if I were making an estimate.

Q. Then you would put the carload business, both state and interstate, as costing substantially the same?

Mr. HAGERMAN: He says three to seven times as much.

A. No sir, not quite. I think the state carload business per ton per mile costs a little more, on the average, than the interstate carload business per ton per mile. But I think my estimate of the less than carload business, of three to five, which is the same when compared with the interstate as when compared with the
6460 state, would cover that difference.

Mr. HAGERMAN:

Q. Are your figures three to seven?

A. No sir, three to five.

The MASTER:

Q. You think the belt is broad enough to cover both comparisons?

A. Yes sir, I think the belt, between three to five, is broad enough to cover the comparison, whether made with the cost of the interstate carload per ton per mile, or with the state carload per ton per mile, although I think the state carload per ton per mile, is a little in excess of the interstate carload per ton per mile.

Mr. HAGERMAN:

Q. When you have deducted in Item 6 of Exhibit 30 your operating expenses, ascertained, as you say, from your gross business, you have in the first column $466,831.31?

A. Yes sir.

Q. But that allows nothing for taxes, rentals, or interest on bonded indebtedness?

A. No sir.

Q. In division 9 you have got ton miles there: how do you ascertain that ton mileage?

A. On the basis of the figures shown in Exhibit 19, applied to the earnings shown by Exhibit 5-*a*.

Q. Let us do that example: You take the earnings as shown by Exhibit 5-*a*: What figures do you take from Exhibit 19?

A. First we take the interstate earnings, as shown by page 3 of Exhibit 5-*a*, and we divide that between carload and less than

carload, on the basis of the division which obtained during
6461 the month of October, 1905, as shown by Exhibit 19. Having thus determined the carload earnings, we divide that——

Q. Let us get more specific than that. Give me the column of Exhibit 19 where you get that?

A. We used Column 3.

Q. That is the gross revenue?

A. Yes sir.

Q. I thought you took the gross revenue as shown by Exhibit 5-*a*?

A. We do; but we divide that gross revenue as shown by Exhibit 5-*a*, by the percentages which obtained during the month of October, between carload and less than carload on interstate earnings, as shown by Column 3 of Exhibit 19.

Q. Yes, but you have it reduced here to ton miles. That is simply dividing the revenue.

A. That is dividing the total interstate revenue for the purpose of determining how much of it was realized from carload, and how much from less than carload business.

Q. I understand that about getting your revenue. But now I am getting down to ton miles. You have that revenue now.

A. Having determined how much revenue was derived from the carload interstate business, we divided that revenue by the average earnings per ton per mile, shown by Exhibit 19, column 8, which is .6667 mills per ton per mile, approximately, and we divided that into the carload revenue, and that gives us the number of ton miles of carload interstate freight. We followed the same form throughout.

Q. Let me see if I understand that, because I want it clearly in my own head, Mr. Ludlam. In the first place, you start
6462 out with Exhibit 19 and Exhibit 5, to find out, using Exhibit 19 as the basis, how much of your earnings came from carload and less than carload state and interstate business?

A. Yes sir.

Q. And you took Exhibit 19, and took the percentages from that?

A. Yes sir.

Q. And those percentages you applied to the earnings as shown by Exhibit 5?

A. Yes sir.

Q. That gave you a total sum of money?

A. That divides the total sum of money shown by Exhibit 5, between state and interstate, carload and less than carload.

Q. And yet, right at the start, in order to make Exhibit 19 compare with anything like the return for 1905, you use the multiple of ten upon the total interstate business, and practically the multiple of twelve upon the state business?

A. We do not use a multiple, we use the percentages.

Q. You would have to do that to make them practically the same?

A. Yes sir.

Q. Having ascertained the proportion of the revenue as shown by

Exhibit 5, which by the percentages worked out from Column 3 of Exhibit 19, you get a theory by which you have divided the state and interstate earnings, as shown by Exhibit 5, into earnings from carload and less than carload, state and interstate?

A. Yes sir.

6463 Q. You take that and divide that into the figures shown in column 8?

A. Yes sir, by the figures shown in column 8.

Q. So the returns thus shown as to interstate carloads would be divided by .6637, as shown by Exhibit 19, column 8?

A. Yes sir.

Q. And that would give 458,575,335 ton miles?

A. Yes sir.

Q. Now I would like to ascertain, right here, upon that basis, the tonnage, regardless of ton miles; how can we do that example?

A. By taking the figures shown in column 1 of Exhibit 19.

Q. Before we get that, I would like to put on my Exhibit 19 those percentages you get to apply to our credit.

A. They are shown by Exhibit 30, Mr. Hagerman.

Q. Where?

A. Right here (indicating).

Q. Those percentages are explained by Exhibit 30, are they?

A. Yes sir.

Q. Now, to get the tonnage upon that same basis, how would you work it out?

A. You would take the number of tons, as shown by column 1 of Exhibit 19, and find the percentage which the carload (being 442,261 tons) was of the total interstate tonnage (being 459,501 tons). Do you want that figured?

Q. I don't care about the carload and less than carload, but I would like to have the tonnage, state and interstate, worked

6464 out upon that basis?

A. Upon the percentage basis?

Q. Just as you worked out the other example.

A. The other example was worked out between carload and less than carload. The percentage of the total tons, as shown by column 2, of Exhibit 19. But that does not show the proportion of the total interstate which was carload, and the proportion of the total which was less than carload.

Q. I thought you had figured out here in Exhibit 30, Item 9, on a ton mile theory, the number of ton miles: Now, could you figure out the number of tons upon that same theory?

A. Yes sir.

Q. How will you do that, and what will be the result?

A. Do you want it to be separated between carload and less than carload?

Q. I don't care about it being separated, unless it affects the result in some way.

The MASTER: You want the total tonnage, both carload and less than carload, and state and interstate?

Mr. HAGERMAN: The result will not be 75.26 and 24.74 as shown by column 2 of Exhibit 19?

A. I cannot tell without working it out. But the way to do that, to get the number of tons, would be to take the average earnings, as shown by Column 5, 62.2 cents, and divide that into the total interstate earnings, of $3,777,390.45, and that would give you the total number of tons of interstate.

Q. Without figuring on the first at all?

A. Yes sir.

6465 Q. Let us see what that amounts to?

A. (After calculating.) 4,595,366, I make it.

Q. Of interstate tonnage?

A. Yes sir.

Q. How much of state?

A. 1,884,862.

Q. I have the percentages, state 29.09/ and interstate 70.91: what do you say to those?

A. Of these two figures?

Q. Yes.

A. 29.09 for the state, and 70.91 for the interstate, these figures being subject to verification.

Q. Certainly. Turning again to Exhibit 30, Item 9, that shows the total interstate ton miles, calculated, as you say, and the total state ton miles: Now what are the respective percentages as between those two, based upon Exhibit 30?

A. That would make the state 16.86, and the interstate 83.14 per cent.

Q. That is to say, upon the basis on which you have prepared Exhibit 30, starting to find out the number of ton miles, and the number of tons, to be applied to Exhibit 5-*a*, the result is, as you have indicated by these figures, including therein the percentages?

A. Not upon the basis upon which I started out to prepare Exhibit 30.

Q. Probably I am a little inaccurate. Upon the basis you have ascertained the ton miles in Item 9 of Exhibit 30: That is

6466 accurately speaking, isn't it?

A. Yes sir. But the percentage of the tons is determined from the figures shown by Exhibit 19, the same as the ton miles.

Q. The result of this tabulation I hand you in the form of an exhibit, and I will ask you if that is as you have given it?

A. (After examining paper.) Yes sir.

Mr. HAGERMAN: I will offer in evidence this paper as Complainant's Exhibit 30-*a*:

Exhibit 30-*a* is in the words and figures following, to-wit:

6467 Q. Passing from that to Exhibit 31, Item 9 of Exhibit 31 as to ton miles, corresponds with Item 9 of Exhibit 30, doesn't it?

A. Yes sir.

Q. Now what is the real difference between Exhibits 30 and 31?

A. There are two essential differences: one is, that this (indi-

cating) treats with increasing that portion of the operating expenses designated as "Conducting Transportation" only. The second difference is——

Q. Let me get the first difference first. In Exhibit 30 you take all the operating expenses as shown by Exhibit 5-*a*, with the exception of taxes, rentals, and interest?

A. Yes sir, we take all the operating expenses.

Q. What we call the "operating expenses"?

A. Yes sir.

Q. In Exhibit 31, the first difference is that you make similar calculations, treating as operating expenses only the items of "Conducting Transportation"?

A. No sir, we include all the operating expenses, but increase only that portion which is "Conducting Transportation".

Q. You include all the operating expenses shown by Exhibit 5-a, but use your multiple only upon the items which pertain to "Conducting transportation"?

A. Yes sir.

Q. What is the next difference?

A. The next difference is that this exhibit (indicating) has
6468 one more column in which the result is shown *if* that portion of the operating expenses known as "Conducting Transportation" costs five times as much per ton per mile in the case of the state carload business, and fifteen times as much per ton per mile in the case of less than carload business, as the interstate carload business.

Q. That is to say, in Item 8 of Exhibit 31, as compared with Item 8 of Exhibit 30, you assume, for the purposes of the statement, that the less than carload business, state and interstate, costs three, five, seven, or fifteen times more than the interstate carload business?

A. That portion of the expenses.

Q. Whereas, in Exhibit 30 the assumption was three, five and seven times only?

A. Yes sir; and with the further difference that the last column of Exhibit 31 treats that portion of the operating expenses designated as "Conducting Transportation" as costing five times as much in the case of the state carload as did the case of the interstate carload business.

Q. With the further exception that in Exhibit 31, in the last column, you assume that the cost of conducting transportation per ton per mile of the state carload business is five times greater than the interstate carload business?

A. The statement shows what the result would be on that assumption.

Q. And on all less than carload business, fifteen times as much per ton per mile as the interstate carload business?

A. Yes sir.

6469 Q. Are there any other differences between Exhibit 31 and Exhibit 30?

A. Only those which have been explained, I think.

Q. Upon what do you base the possibility of its costing fifteen times as much to do the one class of business as the other?

A. Well, there has been some testimony given that it costs a great many times as much. I think one man said he knew of one shipment where it cost twenty-six times as much.

Q. Is that as close as you can come to it; and that is the basis you take for that?

A. Yes sir. It is to cover any possible estimate that may be made.

Q. Is there anything else about Exhibit 31 that is not covered by what you have said about Exhibit 30?

A. I think not.

Q. Now, turn with me to Exhibit 35: what is that statement, and what is the purpose of it?

A. Exhibit 35 shows the freight expenses of the system for the year ending June 30, 1906, as shown by the Company's Analysis of Statements of Superintendents' Operation, dividing the different classes of the operating expenses, and showing the per cent, which each of these different items bears to the total operating expenses.

Q. Let me see if I understand the first set of figures, under the heads of "Amount" and "percents", opposite the word "Item", it shows from Form 1941, Exhibit 27, the amounts and percentages of the services mentioned under the head of "Items" as applied to the whole system, including the Iron Mountain and the
6470 Central Branch?

A. Form 1941 did not show the percentages. I made those extensions.

Q. The amounts aggregating twenty-one odd million dollars represent the total freight operating expenses upon the system, including the Iron Mountain and the Central Branch as shown by Exhibit 27, Form 1941?

A. Yes sir.

Q. And then the percentages following those amounts are the percentages which you figured of the whole?

A. Yes sir.

Q. You follow that with a statement of some kind by which you apply those percentages applicable to the whole system, including the Iron Mountain and the Central Branch, to the expenses in Missouri, do you?

A. We apply the same division of the total operating expenses to the Missouri expenses.

Q. You first make a calculation in your second set of figures: your first column represents what? The percentage, as ascertained from Form 1941, Exhibit 27, as first set out?

A. Yes sir.

Q. The second column represents what?

A. It represents the division of the different operating expenses, as applied to state freight, after assuming that the station services, and the yard services, and the train services, and the engine services, cost twice as much as the interstate.

Q. That is to say, you take the percentages ascertained, as shown

by the first figures, and then assuming that the yard, station,
6471 train and engine services cost twice as much in the state as in the interstate, and the rest of the items are the same, you have made the calculations accordingly?

A. Yes sir.

Q. That assumes, in the first place, that the ratio of percentage of expense is the same for Missouri as upon the entire system, including the Iron Mountain and the Central Branch; that is the first assumption you make—Possibly I ought not to say you make any assumption, but that is the purpose of making the figure, to apply it to Missouri, for the purposes of subsequent calculations?

A. It shows what the expenses were on the system.

Q. And you use the multiple only upon the particular items I have mentioned?

A. Yes sir.

Q. Done in that way, the total operating expenses for the state would have applied to then what percentage, so as to give it to the state—that is to say, you have done practically Mr. Sturgis' example, upon this theory, haven't you?

A. Yes sir.

Q. What percentage would that give you?

A. That shows 115.11 per cent.

Q. Of state?

A. Yes sir.

Q. And 84.89 interstate. If on that basis you were going to divide the expenses for state and interstate, what per cent of the total expense would go to the state?

A. It would depend upon the ton miles of the state. The figures in this Exhibit 35 are intended to show the division of ex-
6472 penses, whatever the expenses might be.

Q. I understand that. Then what you mean to say is that the result of these figures, if they were applicable to this case,—if, instead of having the system, those figures were applicable to Missouri, the excess cost of state business over interstate business, would be 35.57 per cent.

A. Yes sir.

Q. So the Sturgis example would be applied by using 1.3567 as the multiple?

A. Yes sir, in the case of the state freight, ton miles.

Q. That is, the one would be multiplied by that, and that would reduce it all to the ton mile basis?

A. You would take the ton miles of state freight, and the ton miles of interstate freight, and multiply the ton miles of state freight by 1.3557, and add that to the ton miles of interstate freight to get your common unit. Then you would take 1.3557 per cent of that common unit as the cost of the state business, and that common unit as the cost of the interstate business.

Q. I cannot follow you in such detail as that.

Assuming the percentages were 17 and 83, as shown from the figures which you gave me in Exhibit 30-*a*, you would multiply the 17 by your 1.3557, and your 83 by 1?

A. That 17 and 83 I think was tons, and not ton miles.

Q. What I want to do is, upon this figure, to apply Mr. Sturgis' example to the percentages we have in Exhibit 30-*a*, and see where it brings us.

The MASTER:

Q. Does that involve calculation?

A. Yes sir.

6473 Mr. HAGERMAN:

Q. Will you make that calculation during recess?

A. Yes sir.

Q. Do you understand what I want? Don't figure it out your way, because you get too involved, but apply it to the percentages 83 and 17, and do Mr. Sturgis' example with the figures you have here in Exhibit 35.

A. Very well.

Q. I want to turn back for a moment to Exhibit 33. I was at one time assuming that that exhibit, prodiced by Mr. Roth, was intended to show something different. You called for the freight earnings from shipments north of Kansas City to Grand Avenue Station?

A. Yes sir.

Q. In your calculations, say in your Exhibit 19, how did you deal with the freight that went from Kansas City, Mo., north or northwest, out through Kansas City, Kansas?

A. I will have to look that up and let you know after luncheon.

Q. I assume, from what you have said, that you probably had calculated that as interstate earnings, a part of which goes to Missouri.

Cross-examination of C. S. LUDLAM, continued.

By Mr. HAGERMAN:

Q. (Last questions read to the witness.)

A. You asked me to determine whether the earnings from
6474 Grand Avenue, shown by the Company's Exhibit No. 33, were included in our Exhibit 19 for the month of October, and I find that they are. Those are freight earnings from shipments to point north of Kansas City from Grand Avenue, and vice versa.

Q. How about shipments from Kansas City, Missouri, state line, north: That is what I meant to ask.

A. I thought you meant the same as Exhibit 33.

Q. That may be my fault.

A. We took no account of that. We did not include any earnings on that business.

Q. In Exhibit 30-*a* I got the percentage of interstate as 83.14, and 16.86 for state?

A. Yes sir.

Q. On the basis that it costs three times as much to do the state as the interstate, have you figured what percentage that would be?

A. If it costs three times as much to do the state as the interstate,

on those figures the percentage of the expense applicable to the state business would be 37.82 per cent, and applicable to the interstate business 62.18 per cent.

Q. Upon the basis of the tonnage as shown by Exhibit 30-*a*?

A. Upon the basis of the state costing three times as much it would be 55.17 per cent of the state, and 44.83 interstate.

6475 Q. Those figures are tabulated here in pencil as Exhibit 30-*b*?

A. Yes sir.

Mr. HAGERMAN: I will offer in evidence this paper, as Complainant's Exhibit 30-*b*.

Complainant's Exhibit 30-*b* is in words and figures following, to-wit:

6476 Q. Turn to Exhibit 36: the first tabulation in figures in that amount was taken from Form 1940, Exhibit 27, and the percentage is figured by yourself?

A. Yes sir.

Q. And those are practically the same figures that appear in the first part of Exhibit 35?

A. They are identically the same.

Q. Take for the basis of comparison Exhibit 14-*a*; I observe the statement Exhibit 14-*a* shows that 41 per cent of the tonnage carried on the six Missouri Pacific local trains running between Kansas City and St. Louis was state business, and 59 per cent was interstate business.

Now, your statement about six trains should be eight, shouldn't it? Look at your Exhibit 34, which is the time-card number seven of the Eastern Division.

A. No sir, this shows only one local train a day out of St. Louis.

Q. Take first the through trains: You make a calculation of six through trains each way, and there are eight, including the trains for the Joplin Division?

A. Exhibit 15 refers to the through trains.

Q. That is a fact, isn't it? You refer to Exhibit 15 here too?

A. Mr. Hagerman, the six were based on Mr. Doddridge's testimony that at the time he was General Manager on the Missouri Pacific there were six of these through trains a day, and he thought there would be at least that many or more at the present time.

6477 Q. You have the time-card before you: there are eight now, aren't there?

A. The time-card does not show the extra trains.

Q. The time-card shows eight through trains?

A. Four each way a day, but we are taking it only in one direction. The train movement in Exhibit 36 covers a movement only one way.

Q. But there are eight each way, eight through trains?

Exhibit 36 is based on the idea that there are only six through trains, whereas, as shown by Exhibit 24, there are eight through trains each way?

A. I do not see it on Exhibit 24.

Q. Four?
A. Yes sir, four each way, regular trains.
Q. And you calculated six?
A. Yes sir, on Mr. Doddridge's testimony; because many of these trains are run in two or three sections, and there are also extra trains.
Q. Mr. Doddridge said they had six each way, but Exhibit 24 shows they have only four each way?
A. According to Exhibit 24, they have four regular Red Ball trains out of St. Louis each way each day.
Q. How many did you estimate of local trains?
A. One.
Q. How many local trains are there actually on the Eastern Division, and the St. Louis Terminal Division?
A. I understand there is only one local train between St. Louis and Kansas City.
6478 Q. Through the division. Three on the main line aren't there?
A. The time-table shows only one out of St. Louis.

Mr. HAGERMAN: Mr. Roth, will you please point out one to him? If you cannot, I will have to put you on the stand.
Mr. LADD: Exhibit 36 refers to Exhibit 14-*a* and Exhibit 15.
Mr. HAGERMAN: I don't want an exhibit here based on what took place in Mr. Doddridge's time, or upon any particular exhibit, if it is misleading as to what takes place now.

Q. Take this Exhibit 24, and your Exhibit 36, and see if you find those trains.
Exhibits 14-*a* and 15 were put in for a very different purpose, and you cannot seize upon them and make a mathematical statement to cover the whole case.
Take Train No. 191, westbound, and see if you find that train: that is a local train?
A. (After examining Time-card, Exhibit 24.) That is a branch train, and could not be construed to refer to Exhibit 14-*a* in any way.
Q. It is a local train?
A. Yes sir. Train No. 191 is a local train between Kirkwood and Carondelet.
Q. Take Train No. 193?
A. That is the Kirkwood Local out of St. Louis.
Q. And Train No. 195?
A. No. 195 is shown by Exhibit 24 to be the Creve Coeur Freight.
6479 Q. Take Train No. 199?
A. This time-table I am looking at here is No. 13.
Q. Look at Time-table No. 7.
A. I will have to go back over those numbers I gave.
Q. Well, take Train No. 191?
A. Time-table No. 7 does not show Train 191.
Q. But Time-table 13 does?
A. Yes sir, Time-table No. 13, which is the St. Louis Terminal

Division of the St. Louis, Iron Mountain and Southern Railway, and the Missouri Pacific Railway, shows Train No. 191. It not being on the Missouri Pacific time-table, I assumed it was an Iron Mountain train.

Q. I should assume it was a train on both roads. Look at No. 191, and see if it is not a Missouri Pacific train. I don't see how it gets from St. Louis out to Kirkwood, unless it is.

A. This shows the time of a train from Kirkwood to Broadway. This show- that Train No. 191 starts at Kirkwood and runs to Broadway, St. Louis, O. H. & C. Branch.

Q. Have you something there to show whether it is a Missouri Pacific train or not?

A. I do not see anything on the heading to indicate what it is.

Q. There must be some way to show that. I- says on the map "Carondelet Branch of the Missouri Pacific Railway."

A. It is a St. Louis, Iron Mountain & Southern train, too. Broadway is as far as this train appears to go.

Q. Broadway is the junction point?

6480 A. Well, there is nothing on the time-table, so far as I can see, to show it.

Q. Look at Train No. 193. I can fence with you all afternoon, if necessary, to get the facts.

A. No. 193 is not on the Missouri Pacific time-table which is in evidence, but is shown on this Terminal Time-table No. 13 as running from 23rd. Street to Kirkwood.

Q. You cannot tell from that, you say, whether it is a Missouri Pacific train or not?

A. I imagine if it goes to Kirkwood it is a Missouri Pacific train. I do not think the St. Louis, Iron Mountain goes to Kirkwood, but I am not sure of that.

Q. Look at the map on the back of the time-table and satisfy yourself.

A. I could not satisfy myself from the map.

Q. What is marked on the map? Maybe you can satisfy the Master.

A. Kirkwood is shown to be on the main line of the Missouri Pacific, by this map.

Q. Look at Train No. 195, the Creve Coeur branch.

A. It shows "Creve Coeuer Freight." The Terminal Time-table shows Creve Coeur.

Q. Is that on the Missouri Pacific?

A. The map on the back of the time-table reads, "Creve Coeur Lake Branch Missouri Pacific." That is a branch off the main line.

Q. Look at Train No. 199?

6481 A. Page 5 of this Time-table 13 shows No. 199 as a local train of the Iron Mountain, so I understood Mr. Doddridge, to say. (After examining time-table:) That shows evidently a branch, which is 29/100 of a mile long.

Q. Is it a Missouri Pacific line?

A. So these gentlemen state. (Indicating Messrs. Johnson and Roth.)

Q. Doesn't it say so on the time-table?

A. Mr. Doddridge says in one place it is Iron Mountain & Southern, and in another place it is Missouri Pacific.

Q. What does it say on the time-card?

A. On the time-card it says "St. Louis Terminal Division, Desperance Street to Barracks."

Q. Where is the part that Mr. Doddridge pointed out showing it is a Missouri Pacific train: what does that say?

A. That shows it runs from Broadway to Oak Hill Junction, 29/100 of a mile.

Q. Does the map give you any indication of what train it is?

A. There is a line shown on this map which reads, "Oak Hill Branch Missouri Pacific Railway."

Q. It will take considerable time to go through it in this way, if you are inclined to question it: but here is a tabulation of Missouri Pacific local trains, fourteen eastbound and fifteen westbound, which I shall be very glad to have you take and check over, and tell me whether it is right or wrong. I do not want to take the time, if you are inclined to doubt if it is right; Will you undertake to check it and see if it is right.

6482 A. I will undertake to do it if it is necessary. I shall have to judge who that track belong- to. It may take days to work it out.

Q. Then I will go along and work it out with you, and it won't take days or hours.

Take Trains 91 and 93, St. Louis to Jefferson City,—and I don't know any other way of getting there except on the Missouri Pacific.

A. In this case I am simply locating it, and saying what the map shows. I would not be willing to say who owns that track.

Q. All I am asking you for is to say what the time-card shows.

A. Train No. 91 is shown by time-card No. 7 to be the local freight out of St. Louis to Pacific; and Train No. 93 is shown to be the local train out of Pacific to Jefferson City.

Q. They call it in this tabulation, "Joint Train 91; 93."

A. Those are the first trains you have mentioned that relate to Exhibit 14-*a*.

Q. No. 95 is what? Jefferson City to Sedalia, isn't it?

A. No. 95 is shown by this time-table to be a local train running from Jefferson City to Sedalia.

Q. What is No. 97?

A. No. 97 is shown to be the local train running from Sedalia to Kansas City.

Q. What is No. 99?

A. No. 99 is shown to be the local freight running from

6483 *from* Cole Junction to Myrick.

Q. That is the River Division, isn't it?

A. I think it is.

Q. What is No. 695?

A. It is shown to be the local train running from Myrick to Kansas City.

Q. What is No. 71?

A. No. 71 is shown to be the district freight, running from St. Louis to Jefferson City.

Q. And No. 617?

A. No. 617 is shown to be a mixed train running from Jefferson City to Bagnell.

Q. That is the Bagnell Branch?

A. Yes sir.

Q. No. 71 has two trains corresponding to it, eastbound, Nos. 82 and 84, hasn't it?

A. Train No. 82 is shown to be what is designated as "Ordinary freight," running from Jefferson City to St. Louis; and Train No. 84 is shown to be an "Ordinary freight" running from Jefferson City to St. Louis.

Q. No. 627 is what?

A. 627 is shown to be a mixed train running from Sedalia to Warsaw.

Q. No. 637 and 639 are what?

A. No. 637 is shown to be a mixed train running from Tipton to Versailles, on the Versailles branch.

Q. No. 639 is what?

A. No. 639 is shown to be a mixed train running from Boonville to Versailles.

6484 Q. For each one of those trains there is a corresponding train running the other way, as shown by these time-cards?

A. I should assume so, but I would not state it.

Q. And this listing you gave did not include stock trains or coal cars?

A. I imagine a good many of those trains would carry coal.

Q. But I mean what is ordinarily called a stock train or a coal train: there is nothing to indicate it on the list?

A. Nothing there to indicate anything but ordinary, local trains.

Q. Take the schedule of through trains: Westbound No. 51 is what?

A. Westbound No. 51 is designated in the time-card as "Colorado Red Ball."

Q. That corresponding train eastbound is No. 54, isn't it?

A. I should judge not, from the time-table, because No. 54 is not shown as going beyond Jefferson City.

Q. Train No. 54 going the other way, then?

A. It runs from Rock Creek Junction to Jefferson City, and stops there.

Q. No. 55, westbound, runs from where?

A. No. 55 is designated in the time-table as "Omaha Red Ball."

Q. What is the corresponding train coming the other way?

A. There is nothing to indicate.

6485 Q. What is No. 56 called?

A. No. 56 is called "The St. Louis Fresh Meat Train."

Q. Eastbound?

A. Yes sir.
Q. What is No. 73, westbound?
A. It is shown as "Kansas City & St. Joe Red Ball."
Q. No. 53 eastbound is what?
A. It is shown as the "St. Louis Red Ball."
Q. No. 77, westbound, is what?
A. No. 77, westbound, is the "Joplin Division Red Ball."
Q. No. 64, eastbound, is what?
A. The "St. Louis Stock and Red Ball."
Q. That comprises all the through trains, doesn't it?
A. I should assume it did not.
Q. What other ones are there?
A. The extras, and the second and third sections of these trains.
Q. Is there anything shown on the time-card about them?
A. There never is.
Q. There is not, as a matter of fact?
A. They do not schedule second or third sections of trains on their time-tables.
Q. In this Exhibit 14-*a*, there appear to be six trains: is that right?
A. No sir, there are eight trains, as I understand it, but we have counted that as one train from St. Louis to Kansas City, as it constituted really one train.

Q. How do you get your 204 tons for each train?
6486 A. Your witnesses got it, as I understand, by dividing the total number of tons by eight trains.
Q. Our witnesses got it? I don't know what you mean by that.
A. That is a statement your side put in.
Q. That is to show that the average number of tons on each train was 204?
A. It shows that the average number of tons carried on the local trains between St. Louis and Kansas City was 204 tons.
Q. That the average number of tons on each train was 204 tons, is based on there being six trains?
A. No sir, it is on the basis of eight trains; eight into 1630, 204 times.
Q. Let us pass to the next matter. This Exhibit No. 36 uses this language: "Exhibit 15 shows that the through trains carried an average of 470 tons. Six of these trains each way, each day, including Sunday, or 4,380 a year, at 470 tons each, would carry 1,658,600 tons:" Will you see if that calculation is right?
A. (After calculating:) No sir, it is not.
Q. You have "1,658,600 tons" where it ought to be 2,058,600?
A. Yes sir.
Q. That error runs clear through your entire figures in this exhibit, doesn't it?
A. Yes sir, apparently it does.

Q. That is to say, following that statement, a difference of
6487 about 400,000 tons, would change all your percentages in your entire statement?
A. Yes sir, it would decrease the excess cost shown for the state.

Q. So that statement, as thus prepared, is not worth the paper it is written on, on account of that error?

A. I wouldn't say that. I would like to say that I would like to withdraw it and substitute a correct statement. Whereas, this statement shows state freight 19.44 per cent more than interstate, that ratio of increased cost would be decreased. Therefore, this statement, with an error in it, would be an indication that instead of being 19.44 more, it would be less than 19.44 more.

Q. You say on this basis the local trains carry 7.1 per cent of the total tonnage: what difference would it make as to those figures?

A. They would carry less.

Mr. LADD: If there is any clerical error, as there seems to be, I will ask leave to substitute a corected statement for this one, as soon as we can prepare it.

Mr. HAGERMAN:

Q. You proceed to say that the total tonnage, as shown by Exhibit 19, was 610,534 tons, of which 7.1 per cent, the local trains' proportion, would be 43,348 tons: what difference would that make? What would be the difference in the figures?

A. The ratio of 7.1 per cent would be reduced. The local trains would carry less than 7.1 per cent of the total tonnage on that basis.

Q. How much less?

6488 A. Estimating it roughly, I should say one and one-fourth per cent less, or something like that.

Q. The whole purpose and the basis upon which this statement Exhibit 36 is gotten up, is to apply your figures to Exhibits 14-*a* and 15?

A. No sir, Exhibit 36 is gotten up to show, on the basis of the information afforded by Exhibits 14-*a* and 15, how much more the cost of the state business would be per ton per mile than the cost of the interstate, on the assumption that certain of the elements entering into the total cost, cost more in the case of state than in the case of interstate. In other words, that if the local trains carry a larger proportion of the state business than they would carry if they carried the exact proportion which the total state business bore to the total business, how much the cost of doing the state business would be increased thereby.

Q. The result of your figures there is to show that, assuming Exhibit 15 was a fair representation of all the business in the state, you get certain results from it?

A. Assuming that Exhibit 14-*a*, the local trains as shown by Exhibit 14-*a*, and the through trains as shown by Exhibit 15, which was all the information we had to work on, were representative of the business of the state——

Q. You had all the information you wanted to work on, and you have all the information now, and all the time you want, and all you want to work on; instead of taking those particular exhibits which we put in for a particular purpose, and covering only a

6489 special part of the road: Do you think that was fair, to take only those exhibits?

A. On the contrary, we have no information, and no record in the Company's files to show the tonnage of the different trains. We had absolutely no information except the information contained in those two exhibits which your men prepared without requesting us to accompany them on the trains, when the statements were prepared. If we had been invited to assist in their preparation, we should have said at that time we thought it better to take the tonnage of all the trains for a certain period, than to take it upon a portion of the business.

Q. Why would it be better to take it all?

A. Just as the whole is always better than a part.

Q. On page 2 of this Exhibit 36 you apply this 75.26 percentage of the interstate business you get to the proportion of the division of tonnage, as shown by Exhibit 19: About what difference would it make if you applied the percentage of tonnage as shown by Exhibit 30-*a*?

A. Exhibit 30-*a* treats of the ton miles.

Q. And tonnage, too?

A. No sir, ton miles only.

Q. That is the exhibit I had you testify to, and includes tonnage and percentage?

A. Exhibit 30-*a* does not include tonnage and percentage; it includes ton mile only.

Q. Look at it.

A. (After examining exhibit:) Yes, pardon me, it does. I thought you meant Exhibit 30.

Q. Your 75.26, according to that, ought to be used?

A. What figure?

6490 Q. If you applied the percentage of 30-*a* instead of your proportion of tonnage upon Exhibit 19, what would it be

A. That would make some difference, but not very much.

I should like to say in that connection, since you have raised the point, that Exhibit 30, which is based upon the earnings, as reported by the Company in Exhibit 5-*a*, embraces in the state earnings all of the live stock shipments into and out of Kansas City, as state business. Whereas Exhibit 19 treats all live stock, as we think properly, as interstate business, which accounts somewhat for the difference.

Q. That would account for something?

A. For a large part—or at least for a part of the difference.

Q. What I want to get to is the final result of what you are trying to show by this Exhibit 36?

A. I can state the principle of it.

Q. Let me get the principle of it.

A. The figures, you understand, will be subject to correction of the clerical error referred to.

The principle is, taking the best information we have on the question of the tonnage handled by the through trains, and the tonnage handled by the local trains, and assuming that the business done by the local trains costs three times as much per ton per mile as the business done by the through trains, to determine the excess cost of doing the state business over the interstate business.

Q. You applied that multiple of three to nothing except the element of station, yard, train and engine service, did you?

6491 A. We do not apply a multiple of three, Mr. Hagerman?

Q. I thought you said upon the basis of three times?

A. I said upon the basis of the business done on the local trains costing three times as much per ton per mile on the local trains as upon the through trains. But that should be limited to the expense of the local trains. By that I mean the cost of engine service, and the cost of train service.

Q. That is to say, whatever multiple you use, you limit it to station, yard, train and engine service, and allow for no extra expense as to anything else?

A. Yes sir, that is right.

Q. And then you assume that that is only applicable to the proportion of all the business that is represented as state business upon these local trains?

A. No sir. I assume that in the case of the station service, and in the case of the yard service, the cost of the state business is twice as much per ton per mile as the cost of the same service for the interstate business.

But we assume further that that proportion of the local business which was handled on local trains, in excess of what should have been handled on local trains, costs three times as much for train service and for engine service.

Q. And by making those assumptions you get your result here?

A. Yes sir.

Q. And that result is shown to be what?

A. As shown by this statement, that the cost of the state business is 19.44 per cent greater than the cost of the interstate business per ton per mile.

6492 Q. Upon the assumption on which you have made your statement?

A. Yes sir. And that figure, you will understand, will be changed by the correction of the clerical error referred to.

Q. To the extent of 400,000 tons?

A. Yes sir.

Q. Exhibit 37 is figured out upon what basis?

A. Exhibit 37 shows what the results from the Company's state freight business, and the Company's interstate freight business, in the state of Missouri, would have been during the years 1904 and 1905, on the assumption shown by Exhibit 35, that the state business cost 35.57 per cent more per ton per mile than the interstate; and also the same results during the same years, on the assumption that the cost of doing the state business was 19.44 per cent more per ton per mile than the cost of the interstate.

Q. Let me see if I get that right: You assume first that the earnings, state and interstate, were as shown by Complainant's Exhibit 5-*a*?

A. Yes sir.

Q. And then upon the assumption stated and set forth in your Exhibit 35, as you have explained, of its costing 35.57 per cent more

per ton per mile; and then upon the third assumption, upon the basis of 19.44 per cent more per ton per mile on the state than on the interstate business, upon the theory developed by Exhibit 36?

A. Yes sir. The correction of Exhibit 36 will necessitate the correction of the latter part of Exhibit 37.

6493 Q. Exhibit 38; Is that something in addition, or an independent statement?

A. That is an independent statement, relating, however to Exhibit 36, which assumes that the cost of all of the state business, and the cost of all the interstate business, is identical per ton per mile, with the exception of that 4.67 per cent of the state business which is done on local trains, in excess of the proportion which should be handled by local trains. And that excess of 4.67 per cent costs three times as much per ton per mile as the other business costs.

Q. That is to say, you assume the earnings are as shown by Complainant's Exhibit 5-*a*?

A. Yes sir.

Q. And you assume that only 4.67 per cent of the state freight costs any more than any interstate did?

A. Yes sir.

Q. Assuming that 4.67 per cent of the state freight really costs three times as much per ton per mile as any other freight business, you get the result shown by Exhibit 38?

A. Yes sir.

Q. Let me understand a little more definitely what your 4.67 represents?

A. That figure will be corrected by the correction of Exhibit 36.

Q. What is it supposed to represent?

A. It is supposed to represent the proportion of the total

6494 state tonnage which was handled on the local or way trains in excess of the proportion of the state tonnage which should have been handled on the local or way trains.

Q. That is to say, a certain portion of the state freight should have been handled on local or way trains, and that would not cost anything more than the interstate business?

A. That is based on the assumption that if the division of the tonnage between the local or way trains and the through trains was identical with the division of the total tonnage between state and interstate business, both would cost the same, both being handled in the proper proportions on each class of trains.

Based upon the result shown by Exhibit 14-*a* and by Exhibit 15, it developes that 4.67 per cent more of the total state business is handled on the local or way trains than should be handled thereon. And this exhibit assumes that that proportion costs three times as much.

Q. I understand about that exhibit, but what I am getting at is your 4.67 per cent. Do you assume, for the purposes of Exhibit 38, that everything costs the same except 4.67 per cent of the state freight?

A. Yes sir.

Q. And that 4.67 per cent represents what you have figured out,

according to some kind of a theory, as to the excess of freight carried on local or way trains that should not have been carried thereon?

A. Yes sir.

6495 Q. Where should it have been carried, according to your theory?

A. On the through trains; that difference at 4.67 per cent.

Q. Is it 4.67 per cent of all the freight, or 4.67 per cent of just the state freight?

A. 4.67 per cent of all the state freight.

Q. 4.67 of all the state freight?

A. Yes sir.

Q. That is to say, in this calculation there is no extra cost except on 4.67 per cent of all the state freight?

A. Yes sir.

Q. What is your judgment about the extra cost of doing that 4.67 per cent of all the state business over the interstate business, independent of your theory as shown by this exhibit?

A. I should assume three times would be a fair estimate of the cost of doing business on local or way trains, as compared with the cost of doing business in the through trains.

Q. The 4.67 per cent does not represent all the business you have figured out, according to any theory or exhibit, that was done upon the way trains?

A. No sir.

Q. How much did you allow altogether for all the state business that was done upon local or way trains?

A. I have not figured that. 4.67 per cent is only the excess proportion of state business.

Q. The purpose of that 4.67 per cent, which is arrived at by the method shown by Exhibit 36, is merely to represent what,

6496 in your judgment, is the excess of state freight carried on way trains, which, in your judgment, ought to have been carried upon through trains, assuming that certain exhibits were fair representations of all the business?

A. Yes sir, assuming that those exhibits——

The MASTER:

Q. Do I understand, Mr. Ludlam, that you are of the opinion it would cost three times as much per ton per mile to move freight on local as on through trains?

A. I think that is a liberal estimate, but I do not think it is far out of the way.

Q. You think that is about right?

A. Yes sir, I think that is pretty nearly right; that would be my judgment.

Mr. HAGERMAN:

Q. Mr. Ludlam, you have figured here, in certain exhibits, 30, 31, 35, 36, 37 and 38, upon certain theories, certain results in earnings from the state business, and every one of them largely different in results: which one of them do you want to stand by as being right,

or as representing your honest judgment? Exhibit 30 is the first one that makes a final tabulation, isn't it? Can you answer that?

A. I will answer it in this way: After Exhibit 36 is corrected, in my judgment it would be somewhere between the results shown by Exhibits 35 and 36. Exhibit 35 shows that the state business costs 35 per cent more per ton per mile. And Exhibit 36, after it is corrected, will show that it costs somewhere in the neighborhood of fifteen per cent more for state business than for interstate.

Q. What part of the expense, the operating expenses, or just train and engine service?

6497 A. The total operating expenses. My judgment is that the cost of the state business over the interstate, taking all of both classes of business into consideration, would be something less than 25 per cent.

Q. Now, I am going back through each one of these exhibits, and give you the ranges, and I will ask you to tell me whether they are right, in your judgment:

Exhibit 30, the lowest figure you give there as earnings from state business is $421,941.55; the next is $442,358.98; the next is $463,631.31: As I understand you now, none of those, in your judgment, is right?

A. In my judgment, the state earnings were larger than any one of those during the year 1905.

Q. So far as your judgment is concerned, the figures shown by Exhibit 30 are wrong, as representing the true situation?

A. Yes sir, I think the state is overcharged in expenses in all those different showings on state business.

Q. Take Exhibit 31: One estimate there is $53,930.12; the next is $560,845.74: the next is $584,561.09: finally, you get the net earnings up to $612,087.84: is any one of those right, in your judgment?

A. No sir, I think in all those cases the state expenses are overcharged. On the first column it shows net earnings as $612,000 on the state business, which would be nearer correct than any of the other figures on this exhibit, in my judgment.

Q. Take Exhibit 37: You have one statement there showing that the net earnings for 1904 were $714,463.94; another showing

6498 it was 799,815.62. And this one showing that in 1905 it was $751,871.49; and in 1905, in another, $838,880.22. Which, of those, if any, is right, in your honest judgment?

A. I should think somewhere between those figures would be correct.

Q. That is, somewhere between $714,463.94 and $838,880.22?

A. I should judge the $714,463.94 is the minimum of the net earnings resulting from the state business in 1904: and I estimate that the state business would not exceed $799,815.52 in 1904.

I should correspondingly place $751,871.49 as the minimum net earnings resulting from the state business done in 1905, and $838,880.22 as the maximum of the next earnings resulting from the state business done in 1905.

Q. What is your judgment about Exhibit 38, where you get $854,000 for 1904 and $895,000 for 1905?

A. I should think the net earnings would be something less than that, for the reason that I think there are certain items of expense that would be greater per ton per mile on the state business than on the interstate, in addition to the excess proportion of the state business handled on the local trains.

Q. Why should you prepare a statement showing results, if it is less than what your judgment thinks it ought to be, or more?

A. Because the Court's judgment might not be the same as mine, and I wanted to have all the figures before it.

6499 Q. Would your figures 4.67 per cent of all state freight apply if you had used exhibit 15 instead of Exhibit 14-*a*?

A. The percentage of 4.67 is arrived at by using both Exhibits 14-*a* and 15. It would, of course, be impossible to determine the excess proportion of tonnage carried on local trains by using Exhibit 15 only, which shows the proportion of State tonnage handled on through trains.

Q. And so you used them both?

A. Yes sir, I used them both.

Q. In Exhibit 36 how much did you figure as the total number of tons handled in Missouri as through business, for the year?

A. After the figures are corrected, it will be something like two million tons.

Q. I do not understand it, and Mr. Roth does not understand it. Please give me what figures you used in Exhibit 36, that you allow for through freight?

A. Something like two million tons.

Q. That is for through freight?

A. On the basis of those through trains, in the statement shown here.

Q. How much of that do you allow for state?

A. None of the two million.

Q. Let us get at it another way: How much do you regard, according to those figures, as the total tons carried for the year, state and interstate?

A. The total tons carried during the year, according to Exhibit 30-*a* were 6,480,228.

6500 Q. In your Exhibit 36, how much of that do you allow to the state business, in tonnage?

A. We do not attempt, by Exhibit 36. to apportion any tonnage to the through trains—any tonnage as divided between state and interstate, as applied to through trains. Exhibit 36 is merely trying to determine the proportion of the local tonnage carried on local trains, as compared with through trains.

Q. The six millions is the total, state and interstate?

A. Yes sir.

Q. Apply your figures and tell how much is state and interstate, and how much of the state tonnage went on through trains? Because, if you- figures as given in Exhibit 30-*a* are right, and your calculations are right in Exhibit 36, the thing ought to work out, and you ought to account for your six millions.

A. Exhibit 36 covers only some 2,200,000, roughly, of tonnage;

whereas, the tonnage for the year is 600,000 so that would be only one-third of the tonnage.

Q. But what would the two millions represent, what the through trains carried?

A. Yes sir, 2,058,000.

Q. That would represent all the tonnage carried by the through trains?

A. No sir, that would represent the tonnage which would be carried by six trains each way a day, between St. Louis and Kansas City, on the basis of the tonnage carried by Exhibit 15.

A. How much of that would be state business, according
6501 to your figures?

A. I haven't made any figures on that.

Q. What would it be according to what figures you have in mind? Upon that basis, Mr. Ludlam, your figures, subject to the correction of 7.1 per cent of the total tonnage, all the tonnage that would be carried in Missouri in state business would be 7.1 per cent of the six millions, wouldn't it?

A. Yes sir, subject to the correction. On the basis of the figures shown in Exhibits 14 and 15.

Q. That corretion would not make that 7.1 very much more than 8?

A. It would reduce it.

Q. Reduce it to, say, six?

A. Somewhere in the neighborhood of six.

Q. That would make it, on that basis, 360,000 tons a year of state freight carried?

A. No sir.

Q. What would it make?

A. That is six per cent. This figure, 7.1 would be corrected to represent the tonnage carried on the local trains, both state and interstate. There is no separation between the two. It is the total tonnage carried by the local trains.

Q. That is to say, if that assumption would be right, the local trains would carry only 360,000 tons of the six million tons carried in Missouri?

A. Yes sir—you are using round figures?

Q. Yes. Take Exhibit 30-*a*, and tell me what per cent of the tonnage is carried in the state business?

A. It is all carried in the state business, the whole 6,480,-
6502 228 tons: it is all state business. That is, it is state and interstate business carried in the state.

Q. What proportion would the state business be? The percentage is given?

A. 29.09 is the state percentage of the total tons shown by Exhibit 30-*a*.

Q. 30 per cent of 6,000,000 would be the total tonnage of the state business: would it be, in round figures, 1,800,000 according to Exhibit 30-*a*?

A. Something like that.

Q. And yet, upon the basis you have figured out Exhibit 36, the local trains would carry only about 360,000 tons?

A. Something like that.

Q. Do you think that could be a possibility? Now, independent of picking up some man's exhibit, as to particular tons, introduced for some particular purpose, do you think that could be a possibility upon the Missouri Pacific system?

A. If I had made an estimate, without having seen these figures, I should say that more than that proportion of the tonnage had been carried on the local trains. But I would not think now that my former opinion was as good as the figures shown by Exhibits 14 and 15. That is, to base an opinion upon.

Q. You said something the other day that the interest charged ought to be allowed for in some kind of a way, but you would not call it operating expense; what, in accounting, would you
6503 call it?

A. You mean the interest on the bonded debt, I suppose.

Q. Yes. I understood you to say the other day that the statement of interest we had made was right, but I inferred from what Mr. Ladd said, and from what you said this morning, that that was an oversight, and was something you had not checked up, but assumed to be correct?

A. Yes sir.

Redirect examination.

By Mr. S. B. LADD:

Q. Mr. Ludlam, on your cross-examination you were asked this question: "The next item seems to be "Total Expenses of Local Freight Traffic" (Mr. Hagerman was there referring to Exhibit 5-*a* which he had before him). "That, as I understand, adds to the expense an extra cost of fifty per cent for doing the local over the interstate business?" And you answered in this way: "No sir, it adds nearly three hundred per cent. It adds fifty per cent in proportion to revenue".

Now, just what per cent does it add?

Mr. HAGERMAN: Is that two hundred, or three hundred? I thought he said the ton mile was two to one.

Mr. LADD: And I will supplement that question by this? The revenue on the state business, according to your Exhibit 19, per ton mile, is a little more than double that of the interstate.

Mr. HAGERMAN: Just about thirty per cent. isn't it?

A. It would add something over two hundred per cent;
6504 but I was trying to find the exact figures here. (After calculating) It would add 219 per cent.

Mr. HAGERMAN:

Q. Is that a ton mile or a revenue basis?

A. That is a revenue per ton per mile basis.

Mr. LADD:

Q. Upon what basis of difference in revenue per ton mile do you arrive at that 219 per cent.

A. Upon the earnings per ton per mile, shown by Column 8 of Exhibit 19, which are 1.6619 cents in the case of the state freight, and .7796 cents in the case of the interstate freight.

The MASTER:

Q. Let me see if I understand you: On page 1 of Exhibit 5-*a*, there is a note: Do I understand that the addition of this fifty per cent added to the local earnings would be equivalent to adding two hundred per cent to the expense based upon a per ton mile estimate?

A. Yes sir. I might explain or amplify that by saying that column 8 of Exhibit 19 shows that the earnings from state freight amounted to 1.6619 cents per ton per mile. Now, if you add 50 per cent to that, or .83095 cents, you get the earnings per ton from state business of 2.49285 cents per ton per mile.

Now, column 8 of Exhibit 19 shows that the earnings per ton per mile from interstate freight were .7796 cents.

2.49285 cents, which are the earnings per ton per mile from state freight, after being increased fifty per cent, are 319 per cent of .7795 cents per ton per mile, which are the earnings from interstate.

6505 If the ratio of the state earnings is 319 per cent to the interstate earnings, then there would be an increase of 219 per cent.

Mr. HAGERMAN: Where you confuse me is by getting that into the earnings. Can't you do that on the per ton per mile?

A. Exhibit 5-*a* is based on revenue, and that is why I do it by revenue.

The MASTER:

Q. The effect is that the adding of fifty per cent to the local earnings, on account of the increased expense of state business, is just about the same as multiplying by two, based upon the per ton per mile theory?

A. No sir, it is equivalent to multiplying by three, which is an increase of two, or 219 per cent to be exact.

Mr. HAGERMAN: As I understand it, it works out, that our difference works on your figures, assuming your Exhibit 19 to be right, that when I use that figure upon revenue it is about two to one, when you figure on a ton mile basis, on any figure we take.

A. The revenue per ton per mile of the state business being more than double the revenue per ton per mile realized from the interstate business, it more than doubles the increase.

Mr. LADD: Suppose the revenue per ton per mile on the

6506 state business were just double that on the interstate business, how much more would the cost be on this fifty per cent basis, how many more times?

A. Three times as much.

Q. What per cent more, two hundred per cent more?

A. Yes sir, two hundred per cent more.

Q. Because the revenue per ton mile is a little more than double on the state what it is on the interstate, it makes 219 per cent instead of 200 per cent: is that it?

A. Yes, sir, that is right.

Q. In your cross examination, while you were being examined, I think, upon Exhibit 19, you were asked this question "Applying it to the ton mile basis, assuming you were right in your Exhibit 19, it would result that on the revenue basis fifty per cent of the expenses should be charged to state, whereas, upon the per ton mile basis thirty two per cent should be charged?" And you answered: "Yes. That is, at the ratio of three to one. That is, the state costing three times as much as the interstate."

Then you were asked this question: "Now, at one and one-half times, what would it work out in these examples? Seventy-five and twenty-five I think we have been using for the others, in round numbers." And you answered: "In the case of per ton per mile it would be nineteen and a fraction per cent, and in the case of revenue and the number of tons it would be thirty-three and one-third per
6507 cent." I think you figured that out just before you answered the question.

I would like to have you explain the processes by which you arrived at the nineteen and a fraction, and the 33⅓ per cent. Do you recognize now what that refers to?

A. Yes sir.

Q. You state your conclusions here, but I think very few would know how you reached them.

A. In Exhibit 19 taking the tons first, the interstate business represents 75.26 per cent.

Q. As shown by column 2?

A. Yes sir. And the state 24.74 per cent.

Mr. HAGERMAN:

Q. That is tons?

A. Yes sir, tons. In the example which was figured out in the record, Mr. Hagerman told me to use 25 per cent, and 75 per cent, as round numbers.

Q. For quick calculation?

A. Yes sir, for quick calculation.

If you figure that 25 per cent of the business costs three times as much as 75 per cent, you would multiply your 25 by three, which would give you 75; and you would add to that the 75 per cent, which represents the interstate business; so on that basis both your state business and your interstate business would be 75/150 or fifty per cent.

Q. The adding of those two makes 150?

A. Yes sir; and therefore it would become 75/150, or fifty per cent of the whole.

In the revenue per ton, as represented by column 4 of Exhibit
19, the actual figures are 74.27 per cent for the interstate,
6508 and 25.73 per cent for the state.

Mr. HAGERMAN:

Q. Is that revenue?

A. Yes sir. In that case we also say in round figures 25 per cent for the state, and 75 per cent for the interstate.

Q. And that also was simply for the purpose of quick calculation?

A. Yes sir. And the 25 per cent multiplied by three——

Mr. LADD:

Q. Wait a moment. What do you say Column 4 represents?

A. That represents the percentage of the total revenue.

Q. You said revenue per ton: you didn't mean that, did you?

A. No sir, I meant percentage of the revenue. Taking those figures at 25 per cent for the state and 75 per cent for the interstate, and multiplying the state by three, you get 75/100 as applicable to the state, and 75/150 as applicable to the interstate, or fifty per cent and fifty per cent of the total.

Q. Look at this part of the record: that is what I want you to explain.

A. (After examining record:) It was figured on the basis of one and one-half times in the case of tons; for the revenue, you would take 25 per cent, which represents the state's proportion in round numbers, and multiply that by one and one-half, which would give you thirty-seven and one-half. To that you would add the 75, which represents the interstate, in round numbers, and that would give you 112½% and 37½% of 112½% equals 33⅓ per cent. That,
6509 on the basis of adding fifty per cent to your number of tons, or to your revenue, would be the proportion of the state business.

Mr. HAGERMAN:

Q. That is, that would represent 33⅓ per cent of all expenses?

A. The percentage of ton miles is shown by Column 7, in Exhibit 19, to be in the case of interstate 86.02 and in the case of the state 13.98: we used round figures in that instance, and called the interstate 86 and the state 14.

Figuring that the state would cost one and a half times as much as the interstate, we multiplied 14 by one and a half, which gave us 21, to which we added the 86. The total of the 21 and the 86 is 107. We divided that into the 21, and it gives 19 and a fraction per cent, which would be the proportion of the expenses which would be applicable to the state business, on the basis of one and a half times the ton mile basis.

Q. That is the process by which you reached the 19 and a fraction per cent and the 33⅓ per cent mentioned in your cross examination?

A. Yes sir.

Mr. HAGERMAN: Just before he explained that, he broke off in the middle of a sentence as to the per cents. I wish he would give it, as to what it would be on the 86 and the 14, by using the multiple of three, so as to have both theories here together.

A. In the case Mr. Hagerman just mentioned, you would take 14, which represents in round figures—Or let me put it in
6510 this way: On the basis of 14 state ton miles costing three times as much as 86 interstate ton miles, there would be 32 and a fraction per cent applicable to the state business.

Mr. LADD:

Q. In your cross-examination you made a statement about deductions from the expense; what was that?

A. I stated that there were certain minor items of expense which were deducted from the earnings by the Company, but which had not been deducted from the earnings shown by Exhibit 19 for the month of October; and that those charges included switching charges and transfer charges, and small items of that nature. I should have said, bridge tolls and transfer charges and small items of that nature.

Q. You should not have used the words "switching charges"?

A. No sir, there are no switching charges.

Q. You meant bridge tolls?

A. Yes sir.

Q. And claims?

A. Bridge tolls, claims, and some small items.

Q. You did not mean to include switching?

A. No sir.

By Mr. HAGERMAN:

Q. This should read: "Bridge tolls, transfer charges, and small items of that nature"?

A. Yes sir; claims and small items of that nature.

Mr. LADD:

Q. In your cross-examination you said the longer the distance hauled, the less per ton per mile for the originating terminal expense: and then you were asked this question: "But when
6511 you come to tabulate in your memorandum, you allow only 105 miles, and yet the per ton per mile basis is figured out on the long haul"; and later on the question was asked in this way: "And yet the expenses that might be figured out per ton per mile are not on the basis that 105 miles was the entire length of the haul, but it might have been 205 miles, or 305 miles."

It was suggested, at all events, that perhaps that was not fair. Now why is that fair?

A. Because in the figured submitted by the Company, all of the terminal expenses incurred in the state of Missouri, and we think some of those incurred in the state of Kansas, are included in the expenses charged to Missouri. That is, all of the terminal expenses which occurred in Missouri, or which could in any way be directly applicable to the haul in Missouri, are charged to the expenses. Consequently, those expenses are distributed over the haul which occurred in Missouri.

Mr. HAGERMAN:

Q. Would-'t they be distributed if the freight went beyond Missouri?

—. ——.

Mr. LADD:

Q. For instance, all of the St. Louis terminal expense is charged to Missouri: Is that right?

A. Yes sir.

Q. And that includes the terminal expense connected with state freight, interstate freight, and some interstate freight that may go five hundred miles out of the state: is that true?

A. Yes sir, it includes all of the expenses of the St. Louis terminals, without regard to the destination or the origin of the freight.

6512 Q. And that is the reason why, instead of charging the terminal expenses which, measured by miles of the entire haul, might be much less, you charge it on the basis of 105 miles haul, which is the average haul in Missouri?

A. Yes sir.

Q. Because Missouri has to stand all of the expense any how?

A. Missouri does stand all of the expense in every exhibit put in. Missouri stands every dollar of terminal expense for every pound of freight handled or hauled in Missouri, and in the case of interstate freight the haul in Missouri is 105 miles, and in the case of state freight it is 52 miles, on the average.

Q. You were asked in your cross-examination whether in reducing to a ton mile basis you took into consideration the amount of waste space in the car, and you answered, substantially, that you did not: Was that taken into consideration in the case of every kind of freight, state or interstate?

A. No sir, it was not.

Q. Both were treated alike?

A. Both were treated exactly alike.

At this point, the further hearing of testimony herein is adjourned until tomorrow morning, Thursday, March 7, 1907, at ten o'clock, A. M.

6513 ST. LOUIS, *March 7th*, 1907.

Met-pursuant to adjournment as above, on Thursday, March 7, 1907, at ten o'clock A. M., in the Federal Building, St. Louis, Missouri.

Present: Hon. F. L. Schofield, Special Master.

Mr. Frank Hagerman appeared in behalf of the Complainant.

Messrs. S. B. Ladd and John Kennish appeared in behalf of the defendants.

The following proceedings were had.

Redirect examination of C. S. LUDLAM, Continued, as follows.

By Mr. S. B. LADD:

Q. Will you look at Exhibit 19, if you please, and then take Exhibit 20: According to Exhibit 19, what was the total carload freight of all kinds for October, 1905?

A. You mean the ton miles?

Q. Yes, ton miles.

A. 52,689,178.

Q. Look at Exhibit 20, and state what the total ton miles were of freight on way bills issued on the 1st, 2nd, and 3rd days of October, 1905?

A. 3,670,235 ton miles.

Q. What was the average per day in ton miles, according to your Exhibit 19; that is the whole month of October?

A. Including Sundays or excluding them?

Q. Including Sundays, for the thirty-one days in October.

6514 A. About 1,700,000 ton miles per day.

Q. That is an average of about 1,700,000 ton miles a day, is it?

A. Yes sir.

Q. What would that average be for three days?

A. 5100,000 ton miles.

Q. What does Exhibit 20 show were the ton miles for those three days in October covered by the Exhibit?

A. 3,670,235 ton miles.

Q. What is the difference between 5,100,000 and 3,670,000?

A. About 1,430,000 ton miles.

The MASTER:

Q. What was the average ton miles per day according to Exhibit 20?

A. 1,223,412.

Mr. LADD:

Q. That is to say, if the first three days in October had maintained the average of October, the first three days would have shown 1,430,000 ton miles, in round numbers, more than it actually was?

A. Yes sir.

Q. This pertains exclusively to carload lots?

A. No sir.

Q. Do you know now what day of the week the 1st of October was?

A. Yes sir, it was Sunday.

Q. There were five Sundays, then, in that month?

A. There would be five Sundays in the full month of October—yes.

6515 Q. How might that difference be accounted for, in your opinion?

A. Sunday is a light day. There is very little billing of freight done on Sundays. Only the billing of through freight, as a general proposition, freight received from connections.

Q. What else, if anything?
A. Well, I think that accounts for the difference, that Sunday.
Q. What is the showing for the business for the previous months?
A. There is always a fluctuation in the freight business, and that is illustrated by the figures for the year of the earnings of the Missouri Pacific Railway Company in the state of Missouri, which is shown by Exhibit 5, divided by the monthly periods; for instance, the earnings for the month of August, 1905, were $535,000.
Q. Where did you get those figures?
A. We got those from the Company's records of the compilation of the earnings in the state of Missouri for the year 1905, which were used in this case.
Q. Have you the Company's records for freight earnings in Missouri for each month of 1905?
A. Yes sir.
Q. What does the aggregate of the twelve months, as shown by the Company's records, amount to?
A. $5,410,246.59.
Q. Is that the amount shown on Exhibit 5?
6516 A. Yes sir, that is the amount shown on page 3 of Exhibit 5-*a*.
Q. You have the figures there before you, from the Company's records, for the freight earnings in each month of that year?
A. Yes sir, from the Company's records compiled in this case of the earnings in the State of Missouri.

Mr. HAGERMAN:

Q. Is that on the basis of Exhibit 5 or 5-*a*?
A. The earnings, as I recall it, were the same in both Exhibit 5 and Exhibit 5-*a*; the only change was in the expenses.
Q. This paper you have now really itemizes the earnings as shown in Exhibits 5 and 5-*a* into months?
A. Yes sir, it shows them by months.

Mr. LADD:

Q. And the footings of those figures for the twelve separate months aggregate the amount shown as the total earnings in Exhibit 5-*a*; is that right?
A. Yes sir.

Mr. LADD: I will offer in evidence this paper as Defendant's Exhibit 5-*c*.
Exhibit 5-*c* is in the words and figures following, to-wit:
6517 Q. According to that Exhibit 5-*c*, what were the earnings for the month of July, 1905?
A. $499,183.81.
Q. That is for both state and interstate?
A. Yes sir.

Mr. HAGERMAN:

Q. What are the subdivisions of that amount?
A. State $158,820.98; interstate, $340,362.83..

Mr. LADD:

Q. What are the earnings for the month of August, 1905?
A. $535,396.32.
Q. And what were they for September?
A. $472,367.36.
Q. What were they for October, 1905?
A. $497,993.76.

Mr. HAGERMAN:

Q. You are giving those for 1905?
A. Yes sir, those are earnings for those months during the year 1905.

Mr. LADD:

Q. Look at your Exhibit 19 for the month of October, and see what you ascertained the earnings for the month of October to be?
A. The total earnings for the month of October, 1905, as shown by Exhibit 19, in column No. 3, line 7, are $508,542.46. That is a difference, or an excess over the Company's figures for the month of October, of about $10,500, which would be accounted for by those items of bridge tolls, claims transfer charged, etc., which were not deducted from our figures but were deducted from the Company's figures.

6518 Q. Your figures, as shown by Exhibit 19, for the month of October, are very close to the Company's figures which they kept?
A. Yes sir, we would consider them in accord with the Company's figures.
Q. I wish you would divide the October ton miles, as shown by Exhibit 19, that is to say, 52,689,178, by 26, which is the number of secular days in October, and see what it amounts to?
A. That would give you an average of 2,026,507 ton miles per day.
Q. Divide your 3,670,235 ton miles, as shown by Exhibit 20, for those three days, by the two secular days, Monday and Tuesday, and what does that amount to?
A. 1,835,117 ton miles per day.
Q. What is the difference in percentage?
A. About ten per cent.
Q. Ten per cent in favor of the month's showing over the three days' showing?
A. Yes sir.
Q. It appears from Exhibit 5-*a* that the business of September was considerably less than the business of August; how much less?
A. About twelve per cent.
Q. How many dollars, in round numbers?
A. $63,000.
Q. The business of October was how much more than the business of September?
A. $25,000 more.

6519 Q. September, then, fell off from August, and October rose from September?

A. Yes sir.

Q. You said something about the fluctuations might account for the difference between the three days and the whole month; what did you mean by that?

A. I meant the difference between the first three days of October and the month of October is less than the difference between the ratio of earnings during the month of August and the month of September. For instance, the business fluctuates from day to day; one day might be a great deal larger than another day. Sometimes business would be curtailed for a day or two, on account of the congestion of freight, or a shortage of cars, and it might be affected by a great many conditions. Freight never moves uniformly, so you must take a more or less extended period to get a fair average.

Q. Is the difference between the average movement for the first three days, and the average movement for the thirty-one days of the month, to your mind, a surprising incident?

A. No sir, not at all. I should consider it not out of the way, in any sense.

Mr. HAGERMAN:

Q. What does it range, from the lowest to the highest figure, in any month?

A. The lowest earnings during the year 1905 in any one month appears to have been in February, when they were $340,683.36.

Mr. LADD:

Q. You are taking these figures from Exhibit 5-c?

A. Yes sir.

6520 Mr. HAGERMAN:

Q. What is the highest?

A. In the month of August, when they were $535,396.32, a difference of $195,000, or sixty per cent.

Q. Is August the highest month in the year?

A. August appears to be the highest month in the year.

Q. And February is the lowest?

A. Yes sir.

Mr. LADD:

Q. I suppose some part of the difference would be accounted for by the difference in the length of the months?

A. Yes sir.

Mr. HAGERMAN:

Q. What is it for January?

A. $393,187.67.

Q. Have you what per cent October is of the entire year?

A. I can give it to you. (After calculating.) 9.2 per cent.

Mr. LADD:

Q. There seems to be a great falling off in the earnings, that is

quite a large falling off, from August to September: those figures show that, don't they?

A. Yes sir.

Q. And then, a recovery in October?

A. From September to October, yes.

Q. I will ask you if it would not be expected that this falling off which was experienced in September might naturally extend, to a certain extent at least, to the first part of October, so that the business of the first part of October would not be as heavy as in the subsequent parts of that month?

A. That would seem to be a reasonable conclusion to me.

Q. I do not know whether it is or not.

6521 A. September being low, and October high, the probabilities are that the increase would be gradual, and that it would not jump right up during the first days of October.

Q. On your cross-examination, in working out a problem on a theory which Mr. Hagerman submitted to you, you said: "The result of that would make 66¼ cents per ton; that is cost". Is that per ton of revenue freight, or all freight?

A. That is revenue freight.

Q. You figured that out for Mr. Hagerman, but the record does not show how you reached that, and I wish you would go through the process so the record will show just how it was arrived at: How did you get that 66¼ cents?

A. The operating expenses of the Company, as shown by page 3 of Exhibit 5-*a*, are $4,203,320.24 for the year 1905. The total ton miles of revenue freight in the state of Missouri are, as shown by Items 9 of Exhibit 30,—582,747,634. This latter figure of ton *ton* miles, divided into the former figure of expenses, gives a result of 7.2 mills per ton per mile as the cost of the revenue freight. This figure of 7.2 mills multiplied by 92, the average haul of all freight in the state of Missouri, as shown by column 9 of Exhibit 19, gives a total cost per ton, of 66.24 cents, or practically 66¼ cents.

Q. And that is the way you reached your 66¼ cents to which you referred?

A. Yes sir.

Mr. HAGERMAN:

Q. That makes 66¼ cents per ton, figured out on the ton mile basis?

—. ——.

Mr. LADD:

Q. Are the figures shown in Exhibits 29 and 30 based on
6522 the Company's figures in Exhibits 26 and 27?

A. I think you mean the figures shown in Exhibits 28 and 29.

Q. Perhaps I do.

A. In the first column of Exhibit 28, the cost per ton is shown to be 57.946 cents.

Q. What I ask you now is, are the figures shown in Exhibits 28

and 29 based on the figures shown in Exhibits 26 and 27, the latter being the Analysis of Superintendents' Operations, Forms 1940 and 1941?

A. Yes sir.

Q. Do those figures in those two exhibits, Nos. 26 and 27, include the Company tonnage?

A. Yes sir.

Q. While the 66¼ cents arrived at on your cross-examination, is based on revenue tonnage; is that right?

A. Yes sir.

Q. Suppose the figures in Exhibits 28 and 29 were based on revenue freight alone, how much would the increase of cost per ton, both state and interstate, be—what per cent?

A. About eleven per cent.

Q. Why?

A. The Company freight ton miles is shown by the annual report of the President for the year ending June 30, 1906, to amount to about ten per cent of the total ton miles, and ten per cent of the total ton miles would be about eleven per cent of the revenue ton miles.

Q. And the cost of the eleven per cent, if it was added to the cost shown in your Exhibits 28 and 29, would pertain equally to state and interstate freight, wouldn't it?

6523 A. Yes sir.

Q. So the relative proportion between the cost of state and interstate freight, as shown by Exhibits 28 and 29, would not be changed, would it?

A. No sir. And I might say here that the only purpose of these Exhibits 28 and 29 was to show the relative cost of the two classes of freight per ton in the state of Missouri.

Q. Look at Exhibit 28: Starting with the basis which you did, in the preparation of Exhibit 28, and following out the assumption contained in that, the result is 57.946 cents average cost per ton: is that right?

A. Of the interstate freight, yes.

Q. Now, I wish you would add to that this 11 per cent due to having taken into consideration the Company freight, and see what that 57.946 would become?

A. It would become 64.384 cents.

Mr. HAGERMAN:

Q. The result of that would change every figure you have there, wouldn't it?

A. No sir, it will not change any figure except the total cost per ton, as shown by these two exhibits?

Q. Is that the item "Total Cost per Ton, Single Cost" that you are dealing with now?

A. Yes sir.

Mr. LADD:

Q. Look at Exhibit 29, for the State freight, and you have the figures 37.745 cents: add your 11 per cent to that, and what does that become?

A. 41.939 cents.

Q. So you have this result: 64 cents and a fraction for interstate; and forty-one cents and a fraction for state, as against 68¼ for the whole; is that right?

6524 A. Yes sir.

Mr. HAGERMAN:

Q. Then if I understand you, Exhibits 28 and 29 are gotten up so that whatever is shown there includes Company freight, as well as revenue freight?

A. They were gotten up on the Company's figures, which do include Company freight.

Q. There is nothing of that sort appearing on the Exhibit.

A. The first item on the Exhibit would indicate that.

Q. Which is that?

A. "Average cost per ton, including Company material."

Q. On which exhibit is that?

A. There it is (indicating); and, further more, these statements are very clear, I think, in stating that they are predicated upon Exhibits 26 and 27, which set out that fact clearly.

Q. The result would be that every figure you have here would have to be accordingly changed, if you were to get up a statement to apply simply to revenue?

A. Yes sir.

Q. Every figure you have in both Exhibits 28 and 29?

A. Yes sir, about eleven per cent; the change being in both state and interstate, however, the relative comparison would not be affected.

Mr. LADD:

Q. Assuming that the cost of interstate freight is 64.384 cents, according to those figures, look at your Exhibit 19 and tell me the revenue per ton for interstate freight?

6525 A. It is shown by column 5 of Exhibit 19 to have been 82.2 cents per ton.

Q. Those are gross earnings?

A. Yes sir.

Q. If the cost was 64.384 cents, what percentage is that of the earnings?

A. 78.33 per cent.

Q. What were the interstate earnings in Missouri, as shown by page 3 of Complainant's Exhibit 5?

A. $3,777,390.45.

Q. What is 78.33 per cent of that?

A. $2,958,829.94.

Q. On that theory, those would be the interstate expenses?

A. Yes sir.

Q. By Exhibit 19, what is the revenue per ton of state freight?

A. It is shown by column 5 of Exhibit 19 to have been 86.63 cents per ton.

Q. Assuming that the cost per ton on the state freight is 41.939 cents, as you did a few moments ago, what percentage is that of the earnings.

A. 48.42 per cent.

Q. What were the state earnings in Missouri, as shown by page 3 of Exhibit 6?

A. $1,632,858.14.

Q. Apply the percentage of expense, 48.42, to that, and what does it make?

6526 A. $790,628.94.

Q. What do you have for state expenses?

A. $790,628.94.

Q. What do you have for interstate expenses?

A. $2,956,829.94.

Q. Add them together, and what would they amount to?

A. $3,749,458.88.

Q. Add to that $480,000, we will say, an assumed over charge to Missouri on account of the Kansas City terminal expenses, and what does that amount to?

A. If you add $480,000 to the expenses arrived at as above, of $3,749,358.68, it would make a total of $4,229,456.88.

Q. What are the total operating expenses in Missouri, according to page 3 of Complainant's Exhibit 5-*a*?

A. $4,203,320.24.

Q. And what is the difference?

A. $26,138.64.

Mr. LADD:

Q. In your cross-examination the other day, you used this language in answer to a question by Counsel: "On the basis of Mr. Hagerman's request a moment ago, taking the expenses as shown by the Company's Exhibit 5-*a*, and dividing it by the number of tons, the expenses amounted to about 66¼ cents per ton for all state and interstate, carload and less than carload freight. The total cost in the state of Missouri was 66¼ cents. The cost here of the interstate is 57.9 cents, and of the state 37.7 cents, per ton (indicating Exhibit)".

6527 I suppose at that point you were referring to Exhibits 28 and 29?

A. Yes sir.

Q. Then you proce-d to say: "Now, of course, the state is only a small portion of the interstate freight, and therefore the cost of both together on this basis would be reduced just about as much as what we consider the excess charge on the Kansas City terminals amounts to".

In that connection, you did not refer to the fact of the Company freight being ten per cent of the total freight. I will ask you if that, too, should be considered?

A. Yes sir, I should have made allowance for the item of Company freight in that statement, as well as the Kansas City terminals.

Q. In answer to a question of Mr. Hagerman's, you divided the interstate earnings in Missouri for 1905, as shown by the Company's Exhibit 5-*a*, by the earnings per ton as shown by Exhibit 19, the latter being 82 cents and a fraction, and you reached the number of tons as 4,595,366. You did the same thing, in the same way, for

the state traffic, and found the number of tons to be 1,884,862. That was for the whole year 1905?

A. Yes sir.

Q. Assuming those to be the respective number of tons of state and interstate traffic, what was the percentage of the interstate tons of the whole?

A. 70.91.

Q. And what was the percentage of the state tonnage?

6528 A. 29.09.

Q. What does Exhibit 19, for the month of October, show as to the relative percentages of state and interstate traffic handled during that month, in tons?

A. The percentage of the total number of tons of interstate was 75.26, and of state, 24.74.

Q. 72.26 in October, as against 70.91 in the whole year?

A. Of interstate, yes.

Q. What did it show as to the state, what percentage?

A. 24.74 per cent, during the month of October, and 29.09 for the year.

Q. You also worked out for Mr. Hagerman, on Exhibit 30, the percentage of the ton miles for 1905, as shown by Exhibit 9; Exhibit 30 shows that the ton miles of interstate was 83.14 per cent, and the state was 16.86 per cent?

A. Yes sir.

Q. Turning from the comparison of the amount of tonnage, and the percentage of the different classes of tonnage for the year, compared with the percentage of the same classes of tonnage for the month of October, what was the percentage of state revenue to the total revenue, in October?

A. 25.73 per cent.

Mr. HAGERMAN:

Q. That is, by Exhibit 19?

A. Yes sir.

Mr. LADD:

Q. For the same period, according to Exhibit 19, what was the percentage of tonnage?

A. 24.74 per cent.

6529 Q. Look at Complainant's Exhibit 5-*a*, showing the transactions for 1905, and according to that what was the percentage of the state revenue for the year, of the whole revenue?

A. 29.27 per cent.

Q. The percentage of state revenue for the year, according to Complainant's Exhibit 5-*a*, was 29.27 per cent of the whole freight revenue, was it?

A. Yes sir.

Q. And according to your figures, derived from Exhibit 19, the percentage of state tonnage was 29.09 for the year?

A. Yes sir.

Q. 29.09 per cent in your case, and 29.27 per cent, according to their figures, compare tonnage with revenue?

A. Those are both their figures for the year. But the revenue was 29.27 for the year, and the tons were 29.09 for the year.

Q. But in order to reach the 29.09, you had to use your figures, showing the revenue per ton in the month of October, of 82 and a fraction cents, didn't you?

A. Yes sir.

Q. How did the percentage of state revenue for the year compare with the percentage of state revenue for the month of October: was it larger or smaller?

A. It was larger.

The MASTER:

Q. Was the revenue larger for the month than for the year?

A. The ratio of state to interstate, no sir. It is a ratio of
6530 state revenue to total revenue, of 25.73 per cent during the month of October; and it is 29.27 per cent, during the year.

Q. But in the month of October they did nine per cent of the business of the year, as I understood you awhile ago?

A. That was of the business, as a whole, 9.2 per cent.

Q. That would be 108 per cent for the whole year, instead of 100, making the month of October larger?

A. Yes sir.

Q. What conclusion should be reached from the circumstance I have just mentioned; that is, that the month of October is considerably larger than the average month, and yet for that month the ratio of state to interstate traffic was smaller than for the year?

A. If I expressed an opinion upon it, just off-hand, and without considering the question—and it has not been brought to my attention before—I should say that was an indication that the state business was more stable and regular than the interstate, and the increases and decreases would be relatively more in the interstate than in the state. And, whereas October, in the case of the total month, was larger than the average month, the state business in that month was a smaller proportion of the total, with a similar proportion maintained throughout the year, through the lean months and the big months, would finally result in the state's proportion of the total for the year being larger than for the month.

6531 Q. How would the expenses of October compare with the expenses for the year?

A. We haven't those figures.

Mr. LADD:

Q. Mr. Ludlam, referring to His Honor's question in Exhibit 19 what is the percentage of the state revenue for the month?

A. 25.73 per cent.

Q. What is the percentage of the state revenue for the year?

A. 29.27 per cent.

Q. In Exhibit 19, how did you treat the live stock business at Kansas City: did you treat that as state or interstate?

A. We treated that as interstate business.

Q. How has the Company treated it in its statement by which the percentage of 29 and a fraction is reached?

A. As state business.
Q. They treat it as state and you treat it as interstate business?
A. Yes sir.
Q. Suppose in your Exhibit 19 you had treated all the live stock business as state business, instead of interstate, what difference would it have made?
A. It would have made a difference of $10,423.35.
Q. What difference would it have made in the percentages? Your percentages, according to Exhibit 19, are 74.27 for interstate,
6532 and 25.73 for state; Suppose you had treated the Kansas City live stock business as state business, instead of interstate, what would those percentages have been?
A. The ratio of the state business would have been increased to 27.75 per cent, and the interstate would have been decreased to about 72.25 per cent, of the total.
Q. In that case, then, your Exhibit 19, for the October business, would have shown that 27.75 per cent of the revenue came from the state business, as against the showing made by the Company in Exhibit 5-*a*, for the whole year of 29.27 per cent?
A. Yes sir.
Q. What is the difference?
A. 1.52 per cent.

Mr. HAGERMAN:

Q. If you had left the live stock business stay as it is in the Company's account, your percentages in column 2, as between state and interstate, would have been something else instead of 75.26, and 24.74: what would they have been?
A. I did not figure that.

At this point, recess was taken until two o'clock P. M.

6533 After recess on Thursday, March 7th, 1905, the following proceedings were had:

Mr. LADD:

Q. I want to call your attention to Exhibits 28 and 29: your first figure in all three columns of both of those exhibits is 17.12 cents; that is the average cost per ton for station and yard service: Where did you get that 17.92?
A. From Exhibit No. 26.

The MASTER:

Q. That is the Analysis of Superintendents' Operation.
A. It is Form 1941, Analysis of Superintendent's Operations for the year ending June 30, 1906.

Mr. LADD:

Q. That purported, did it, to show the average cost per ton for station and yard service on the entire Missouri Pacific system?
A. Yes sir.
Q. Did those sheets, Forms 1940 and 1941, from which you took

that, show the average cost per ton of any of the other items of expense?

A. No sir.

Q. In your statement, Exhibit 28, you are trying to work out a cost per ton based on Forms 1940 and 1941, if you can, are you?

A. Yes sir.

6534 Q. For the other items of expense, in Exhibits 28 and 29, how did you work out the cost per ton? You say, the cost per ton was not worked out on those exhibits, except in the case of station and yard service: How did you work it out?

A. We took the cost per 100 ton miles for the other items of operating expenses, as shown by Form 1941, and reduced that to the average haul of the state and interstate freight in the state of Missouri.

Q. And in that way you got at the cost per ton, based on the showing in 1940 and 1941, of 100 tons one mile?

A. Yes sir.

Q. You were endeavoring to, and I suppose did, follow as far as you could, these Forms 1940 and 1941: is that right?

A. Yes sir.

Q. To see where it would lead you: is that right?

A. Yes sir, for the purpose of determining an approximate figure of the cost per ton in the state of Missouri, of the state freight and the interstate freight.

Q. Based on Forms 1940 and 1941.

A. Yes sir.

Q. Now why did you take the 17.92 as the average cost per ton?

A. Because I thought that would be a fairer figure in attempting to determine the cost per ton in the state of Missouri, than it would be to take the cost per ton mile, shown by Form 1941, for station and yard service, inasmuch as I thought the terminal expenses would be greater in the state of Missouri, in which the two largest terminals of the Missouri Pacific system are located.

6535 than it would be on the system as a whole.

Q. When you say "fairer" you mean fairer to whom?

A. It would be nearer correct in determining the cost in Missouri. I thought it would be fairer for the purposes of these statements.

Q. Of this statement, Exhibit 28?

A. Yes sir, and Exhibit 29.

The MASTER:

Q. Then the figures 17.92 cents in the first item of these two Exhibits 28 and 29, are not taken from Form- 1940 and 1941, but are deductions made from the figures given in those forms?

A. No sir.

Q. You get those original figures from the form itself?

A. Yes sir, 17.92 cents is the average cost per ton, for station and yard service, on the entire system.

Q. As shown by Form 1940?

A. Yes sir, as shown by Form 1940.

Now, the average cost per 100 ton miles on the system for sta-

tion and yard service is 7.66 cents, and on the 105 miles haul that would make this figure something like 80 cents; and although the average haul of the interstate freight in Missouri is only 105 miles, as compared with the average haul of 237 miles for all of the freight on the system, and of course the terminal expense increases with the length of the haul, the more you use them, at the same time, on account of the expensive terminals of the system being located in Missouri, we thought, for the purpose of determining the cost in Missouri, it would be fairer to take the cost per ton on the whole system than to take the ratio of cost per 100 ton miles on the system as a whole.

6536

Mr. HAGERMAN:

Q. You found that 17.92, and you adopted it for the purposes of this statement: is that it?

A. Yes sir.

Q. I understand you to say that for the purposes of this statement, the purposes you had in mind in the preparation of these statements, Exhibits 28 and 29, that is, to build up a cost per ton based on the figures contained in Forms 1940 and 1941, you thought it would be fairer to take their estimate of the cost per ton for the station and yard service, than to arrive at that in any other way: is that it?

A. Yes sir. That was particularly so, I might explain, because in Missouri the haul of the interstate is 105 miles, and the haul of the state freight is 52 miles, so that that works out about twice as much per ton per mile for the state freight as for the interstate freight, which we believe is about correct.

Q. As a general proposition, independent of your purpose in preparing this statement, and independent of Forms 1940 and 1941, and not attempting to follow them, would you yourself have arrived at the expense of the station and yard service, upon the ton basis, or the ton mile basis?

A. Upon the ton mile basis, for the reason that in my judgment the terminal expenses increase the same as all other items of expense, the more you use them. Therefore, the further the freight goes, the greater the expense would be.

6537

The MASTER:

Q. The average cost per ton for station and yard service, 17.92 cents, is taken bodily from Form 1940, as I understand it?

A. Yes sir.

Q. But the cost for train service in the second item of Exhibit 28, is not taken from that form, but is computed from the figures given as to the 100 ton miles, in Form 1941?

A. Yes sir, reduced to the average haul in the state of Missouri.

Q. And 4.305 cents represents the cost per ton of train service?

A. Yes sir.

Q. That is to say, that figure is derived from your computation reducing the 100 ton miles to tons?

A. To 105 miles, which is the average haul in Missouri.

Q. Does 1940 and 1941 give the train service per ton?

A. They do not. They give no statistics whatever as to cost on the per ton unit, excepting for the station and yard service.

Mr. LADD:

Q. I see that in both of these statements, in each of the three columns of both statements, you carry the 17.92 right through: that is right, isn't it?

A. Yes sir.

Q. So far as that affects the expense of the state freight per ton per mile, what is the result of carrying the 17.92 into the cost of the state freight?

A. It is nearly double as much per ton per mile for the state freight as for the interstate freight, for the reason that the cost per ton being -he same, 17.92 it would be twice as much
6538 per ton per mile for a haul of 52 miles, the state mileage, as it would be for 105 miles, the interstate mileage.

Q. That is to say, when you apply the 17.92 to the state freight running 52 miles, it means twice as much per ton per mile as when you apply it to the interstate freight running 105 miles: is that it?

A. Yes sir.

Q. So, when you said you thought it was fairer to reach this cost per ton as to the station and yard service, instead of per ton per mile, you mean for the purpose of building up this cost per ton, in following the figures given in Forms 1940 and 1941: is that it?

A. For the purpose of preparing these Exhibits 28 and 29, which were then under discussion.

Q. I want to ask you one more question; it has been gone over, I expect, but I would like to ask you.

You have said that your opinion is that the ton mile basis is more accurate than any other, both for the purpose of ascertaining cost and earnings, in an effort such as we are engaged in in this case, to ascertain the difference between revenue, as well as cost, which exists between state and interstate traffic:

Now, I wish you would state, as briefly as you can, why in your opinion the ton mile basis or method of arriving at a result is more accurate than any other? And if there are any reasons why the ton mile basis is not as accurate, as the revenue basis?

6539 A. In my judgment, you have to consider two elements: the first is the weight of the freight, and the second is the distance which it travels. All railroad rates are made upon the distance that the freight is going. What I mean by that is, if you go to an agent to ship freight, he does not merely ask you what it weighs, without regard to where it is going, whether from here to San Francisco, or from here to Kansas City. The rate is necessarily based upon the distance which the freight is going, as much as it is upon the weight. It takes the two elements into consideration; first, the weight of the freight; and, second, the distance it is going.

For the purposes of illustration, you might compare it with the passenger legislation just passed in this State and now under consideration. The rate is so much per passenger per mile. It does not

stop with the passenger. It would be absurd to pass a law that the railroad should charge only so much per passenger, twenty-five or fifty cents; because the number of passengers is only one element. The distance they are going t- is another element to be considered.

The ton mile unit takes into consideration both the element of the weight of the freight and the distance it is going; just as the bill passed by the Legislature takes into consideration the distance the passenger is to travel.

Mr. HAGERMAN: It just says so much per mile.

A. Yes sir, exactly what the per ton mile unit does. You cannot conceive of a freight rate being quoted of so much per ton. It is all governed by those two elements.

Mr. LADD:

6540 Q. When you are trying to ascertain or approximate as nearly as possible under the circumstances the relative cost of doing state and interstate business, is it, in your opinion, an essential feature to be taken into consideration, the difference between the interstate haul and the state haul?

A. Yes sir, it is one of the most essential elements, and without taking that into consideration, in my judgment, you cannot arrive at any conclusion that means anything.

Q. Would that be true, speaking generally, Mr. Ludlam, of the operating expenses taken as a whole, in order to get an average?

A. To get an average that would mean anything, you would have to reduce it, in my judgment, to the per ton mile unit.

Q. On all the operating expenses?

A. Yes sir.

Q. Do you mean to say—I don't suppose you do—that we reach in that way an accurate result?

A. No sir. I think there are certain elements that enter into the question that make it impossible to determine the absolute cost of the two classes of freight.

Q. But you do think we reach a result which is more nearly the true situation, in that way, than in any other way: is that it?

A. Yes sir.

6541 Recross-examination.

By Mr. HAGERMAN:

Q. I asked you this morning to have a compilation made of your figures, upon the supposition that the live stock business in and out of Missouri, to and from the Kansas City stockyards, had been treated as the Company treats it, as state business: I now hand you that compilation, which has been handed to me by Mr. Taliaferro, and ask you to verify it, if correct.

A. (After examining statement:) Yes sir.

Mr. HAGERMAN: I offer in evidence this paper as Complainant's Exhibit 19-*a*.

Complainant's Exhibit 19-*a* is in words and figures following, to-wit:

6542 Q. According to the method by which you compiled Exhibit 30, in comparison with Exhibit 19, you reached an increased percentage of tons and ton miles: I want to know if the example could be done as to the percentage of total revenue—You catch the meaning?

A. I think I understand what you mean.

Q. I don't know where it would lead us.

A. Taking the gross freight earnings of the year 1905, as shown by page 3 of Exhibit 5-*a*, the state earnings of $1,638,627.67 would amount to 29.27 per cent of the total earnings of $5,666,961.91; and the interstate gross earnings of $4,008,434.24 would amount to 70.73 per cent of $5,666,961.91.

Q. The same as set out in Exhibit 6?

A. Yes sir.

Q. So, if you would undertake to calculate the percentage by the method you adopted in ascertaining the ton miles tonnage as shown by Exhibits 30 and 30-*a*, the results would be the same in percentage, as shown by Exhibit 6?

A. The percentages as shown by Exhibit 6-*a* agree with the percentages just given.

Q. Then this tabulation, as Exhibit 30-*c*, would be correct as to the percentages?

A. As to the precentages, it would be correct.

Q. Some confusion gets into the case at times, in regard to what is included by the different witnesses under the head of "Expenses": I had Mr. Roth make a tabulation of the earnings and operat-
6543 ing expenses, with no allowance for extra cost of doing state business, and leaving that entirely for the finding of the Court. Exclusive of interest, taxes, and rentals, just upon the revenue basis, which would share—as I understand—the operating expenses, on the percentage of 29.27 per cent for 1905: that is right, isn't it?

A. These are the proportions of the state earnings and interstate earnings in relation to total earnings.

Q. And it is upon the basis of the tonnage, as shown by your Exhibit 30-*a*; and then upon the basis of your ton mileage, as shown by your Exhibit 30. I would like to produce that now, as Exhibit 38-*a*, subject to any correction you may make, after running over the calculation to see if it is right.

A. I would like to make the statement that it is not my understanding that Exhibit 30-*a* was my Exhibit.

Q. It was put in in connection with your cross-examination, and I meant your exhibit only in that sense.

I presume if there is any error in ascertaining the amount from these percentages, it is like all the other exhibits, subject to your correction?

A. If the figures are correct, I think the exhibit is correct.

Q. And if you find them incorrect, you will so notify us.

A. Yes sir.

Mr. HAGERMAN: I will offer this paper in evidence as Complainant's Exhibit 38-*a*.

Complainant's Exhibit 38-*a* is in words and figures following, to-wit:

6544 Mr. HAGERMAN:

Q. For the purpose of that statement, that eliminates the question of taxes, rentals and interest, which have never been, on the books of the Company, divided as between state and interstate, or even as between freight and passenger; that is a fact, isn't it?

A. That is my understanding.

Q. With your knowledge of the general situation, upon the assumption that we may be wrong, and you may be right, that that is something that should not be charged as an expense at all, and is something upon which this increased cost has no application, I would like to have your opinion as to how you would deal with the question of interest, taxes, and rental, in a situation of this kind: Where would you assign it, as an original proposition?

A. I would assign it as an income charge.

Q. First as an income charge?

A. I would assign all three of those items as income charges.

Q. Take the question of taxes: that is something which is fixed and follows the property wherever it is located: Why would you call that an income charge, and assign it to income?

A. Because it is generally so classified by the railroad accountants, and the Interstate Commerce Commission so classifies it.

I think the reason for doing that is because the operating expenses are something that it is considered the officers are responsible
6545 for, and they seek to reach that figure without the taxes being included.

Q. Whether a man was operating the road good or bad, the taxes would be just the same, and would be something he would have no control over?

A. Yes sir, that is the idea. It is something he would have no control over, and therefore, it is classified separately.

Q. From my observation, and what experience I have had on the subject, these leases are always between the tenant and the parent company, and the taxes themselves are treated as maintenance, and charged upon a wheelage basis, as distinguished from a fixed charge: Has that been your experience?

A. In dividing taxes between two roads, that is usually the method.

Q. Isn't that treating it as an operating expense?

A. I would not say as an operating expense. It is the basis of apportioning that charge.

Q. I think I understand your view about it.

The MASTER:

Q. What is the difference between an operating expense, and an income expense?

Mr. HAGERMAN: I want to get what his ideas are.

Q. Is there any practical difference when you get to the substance of the thing, between an income and an operating expense?

A. Confining my answer to the question of taxes, I would say there is not much difference, because the operating expenses and the taxes are both something that the railroad has to pay. There may
6546 be charges made against income, for betterments and improvements, and things of that kind, which are entirely matters of discretion and judgment.

Q. But you would not treat the taxes in that way?

A. It would be my idea, speaking broadly, that the taxes would be an expense.

Q. Whatever subdivision might be made, in the accounting, in reality, as setting it off against the earnings, that is an expense, in your judgment?

A. I should not think there would be any question about that.

Q. What would you do about the question of rentals?

A. I should consider that a necessary expense.

Q. Why isn't that a matter of operating expense just about as much as anything else? Why should it be separately classified?

A. That again is something that the operating officials are not responsible for.

Q. Aren't they responsible for it, in the sense that they are the ones who make it, and know whether they need it, and whether it is necessary to have it, or better to have it, than to build a track of their own? So, isn't it a point they are responsible for, as distinguished against the point you made on taxes?

A. As a general proposition, I should say No, because those leases are made generally for long terms, say ninety-nine years, or sometimes nine hundred and ninety-nine years. Generally those leases are effected before the present officials took charge of the road. At any rate, it is something that is regarded as an item which cannot be decreased or increased by good management or poor man-
6547 agement.

Q. Therefore, while, speaking broadly, you would call it an expense in the way of operation, still you would make the same kind of a distribution, practically, as you do as to taxes?

A. I would call it an expense, Mr. Hagerman.

The MASTER:

Q. You would charge it up against income, in order to determine the net profits of the road?

A. There is no question but what it is an expense. Mr. Hagerman said I would term it an expense of operating, and I do not quite do that.

Mr. HAGERMAN:

Q. In a broad sense, in ascertaining the net income to come from a property, you would treat that as an expense?

A. Unquestionably.

Q. How about taxes: How would you deal with that question?

A. How?

Q. You would treat that as an expense?

A. Unquestionable. There is no doubt but what a railroad has to pay taxes.

Q. Therefore, you would treat that as something to be charged against income?

A. Oh, unquestionably.

Q. Take a case of this kind, where upon the books of account of the Company there has never been any separation of those three charges, taxes, rental and interest, as to state and interstate, and the property is used in both the passenger and freight business,
6548 upon what basis, as an original proposition, would you deal with that in making your distribution: First, as between passenger and freight: and, next, as to the state and interstate business?

Mr. LADD: Your last question embraces interest: do you mean that?

Mr. HAGERMAN: Yes, I mean the three things.

Mr. LADD: You did not say anything about interest before.

Mr. HAGERMAN: It was my mis-statement, then. I was assuming that your answer applied to interest.

A. You did not ask me anything about interest.

Q. I used the word "taxes" then, when I meant to say interest. How would you distinguish between taxes and interest, as to interest being an expense or not?

A. I think interest is purely a return on the money invested in the property. I do not think you could construe that in any sense as an expense. Of course it is something the road has to pay, but I think it would go into a wholly different category than anything that should be considered as expense.

Q. You would not consider that as part of anything that should be paid out of the earnings?

A. Of course, it would be paid out of the earnings, but it should not be classified as an expense.

Q. In arriving at the point of what you are going to have, net, where would you charge the interest?

A. I would charge it against the income.

Q. And then seek to find what the balance was?

A. Yes sir.

6549 Q. In that way you would, in a broad sense, in an inquiry of this kind, charge it as an expense?

A. Oh, no, I did not say that. We have not treated it as such in this case.

Q. Nobody seems to have treated that interest, so far as dividing it up on any fixed basis; what I wanted to get was your opinion about it, and I was saying, first, that you treated it like taxes, and that in a broad sense it was an expense that ought to be met, however it was to be distributed: you will not agree with that?

A. I would not term it an expense, but a return upon the investment?

Q. You would say it had to be a return, in some way?

A. Unquestionably it would have to be a return in some way.

The MASTER: It would not be a return to the man who pays it.

Mr. HAGERMAN: It is a return.

The MASTER: It is a return to the man who holds the bond; but it is not a return to the man who pays the interest. If the railroad company pays the interest, out of what fund is it to pay it? For instance, in marshalling these different funds in an inquiry of this sort, from what fund would it pay it?

A. Unquestionably the interest on bonds has to be paid by the Company out of the earnings of that company from the operation of its business.

6550

Mr. HAGERMAN:

Q. And before it gets any return on its property?

A. I think it is a return on its property. The bonds represent a part of the cost of that property. That represents a proportion of the returns on the property, the bond upon which the interest is accruing.

Q. You make that point of distinction between the taxes and the interest?

A. Yes sir, there is a distinction.

Q. Assuming you are wrong about that, and it should be classified as are the taxes, as between state and interstate, passenger and freight, dealing with it as an independent proposition, how would you deal with a situation of that kind—just broadly, now? Would you deal with it upon the basis of percentage of tonnage, or revenue, or ton miles?

A. Do you want my idea of it?

Q. I just want your idea.

A. As to what would be the ideal way?

Q. Yes. What would be the ideal way.

A. I do not think that there is any question about the interest on the bonds being apportioned against your net earnings. That would be my judgment.

I think your taxes ought to be apportioned on the per ton mile basis.

I should say that your rentals should be apportioned on the per ton mile basis. On the ton miles moving over the rented track.

Q. Now, then, how would you deal with the question of interest in distributing, first as between passenger and freight earnings, and then as between state and interstate?

6551

A. I think interest would be distributed between passenger and freight, in my judgment, on the basis of the net earnings from the freight and passenger business, as near as they could be determined.

Q. Practically, upon a revenue basis?

A. A net revenue basis, not gross revenue.

Q. I presume whether it was net or gross would depend. There would not be any difficulty in the situation, if we agreed upon the basis for arriving at it, because that brings us back to the original controversy we had about the ton mile basis.

A. Yes sir. That is why I asked you if you meant "the ideal way".

Q. Assuming either one of us may be wrong about this, what you would divide between passenger and freight would be upon a revenue basis? That is, giving you credit that your theory may be right, and giving me credit that my theory may be right.

A. I say, on a net revenue basis.

Q. What would be the difference between gross and net?

A. The operating expenses.

Q. You would have to distribute them in some way, as between passenger and freight?

A. Yes sir.

Q. And that would be your idea about dividing it?

A. Yes sir.

Q. And would that apply not only as between freight and
6552 passenger, but also as between state and interstate portions of each class?

A. Yes sir, talking about the interest.

Q. Yes, the interest.

A. Yes sir.

Q. But the taxes you would deal with and distribute practically as you do the rest of the operating expenses?

A. Yes sir.

6553 A. P. TALIAFERRO, a witness of lawful age, being duly produced, sworn and examined on the part of the Defendant, testified as follows, to-wit:

Direct examination.

By Mr. S. B. LADD:

Q. Give your name.

A. A. P. Taliaferro.

Q. Where do you reside?

A. New York City.

Q. With what firm are you connected, and have been for some time?

A. Haskins & Sells, Certified Public Accountants.

Q. For the last few months, where have you been temporarily located?

A. Since June 1906, I have been almost wholly in the City of St. Louis, except when I was attending the hearings in this case.

Q. Are you the one who has had immediate charge of the examination of the books and papers of the Wabash Railroad and the Missouri Pacific Railway Companies, on behalf of the State of Missouri, in this litigation?

A. Yes sir.

Q. You were assigned to that special duty by your employers?

A. Yes sir.

Q. You may give your experience in railroad and accounting work, such as it has been.

A. I spent five years in the Motive Power Department,
6554 beginning as messenger boy and ending as Acting Chief Clerk to the Superintendent of Motive Power.

Q. With what Company?
A. The Norfolk and Western Railway.
Q. Then what?
A. Then I had five years more altogether with the Norfolk & Western in the Traffic Department, part of the time as Secretary to the Vice-President, and the greater part of the time as Rate Clerk.
Q. During that experience, was it part of your duty to attend your employer, the Vice-President, at meetings of Presidents and Traffic Managers?
A. Yes sir, I went to a great many such meetings.
Q. All over the country?
A. Yes sir.
Q. How many meetings of Traffic Managers have you attended in that way, and listened to their discussions?
A. Possibly fifty.
Q. Then where did you go?
A. Then I went to the Chesapeake & Western Railroad, in Northern Virginia.
Q. Part of this time when you were Secretary and Chief Clerk, was your principal *connected* with the Reading Road?
A. Yes sir. I had about five years altogether in the Traffic Department of the Norfolk & Western, and an additional year with the Philadelphia & Reading Road.
Q. In the Traffic Department?
A. Yes sir.
6555 Then I went to the Chesapeake & Western, as general utility man, and did everything for about a year and a half and then I was made Superintendent of the road, and held that position about three years. During that time I was engaged off and on on work of Haskins & Sells, as Mr. Sells was the President of the road.
Q. That was not a long road?
A. Only twenty-five miles.
Q. That was in Virginia?
A. Yes sir.
Q. And after that?
A. I went to southwest Virginia with two little roads that were built to develop some properties.
Q. In what capacity?
A. General Superintendent.
Q. What were the names of these roads?
A. The Virginia, Carolina & Beaver Dam Roads.
Q. That was a short road, too, wasn't it? How long was it?
A. Including their logging road, they had about thirty odd miles.
Q. What did you do after that, either in railroading or accounting?
A. At the suggestion of Mr. Haskins, of Haskins & Sells, I went back to New York, to take charge of the accounts of the Houston Oil Company of Texas, and stayed in New York about eight months. Then I went to Texas, as Auditor and Treasurer of the Houston Oil

Company, and its subsidiary companies, and stayed there
6556 nearly three years. About a year ago I went back to Haskins & Sells.

Q. And have been with them ever since?

A. Yes sir.

Q. Before that time, I will ask you whether for Haskins & Sells you had anything to do with the auditing of accounts for railroad companies?

A. Yes sir.

Q. On special employments?

A. Yes sir.

Q. What?

A. I was engaged on a number of pieces of work for them during the time I was connected with the Chesapeake & Western.

Q. When did you come to St. Louis?

A. June 18, 1906.

Q. To take up the work connected with the maximum rate litigation?

A. Yes sir, on June 18, 1906.

Q. And have you been here ever since engaged in that work?

A. I have been here practically all that time. I have been engaged on that work all that time. I have been in Chicago and Kansas City at the hearings.

Q. On which two cases of the eighteen pending in this Court have you been engaged?

A. On the Wabash and the Missouri Pacific.

Q. Which case did you take up first?

6557 A. The Wabash.

Q. Were you in charge of the examinations in the Wabash and the Missouri Pacific cases: I mean were you the leading one on the part of Haskins & Sells force which was engaged here on that work?

A. Yes sir.

Q. How many men have you had employed here on that work, under you?

A. The number varied from two to eight, I should say as the work progressed.

Q. What connection has Mr. Ludlam had with it: he has not been here all that time?

A. No sir, not all the time.

Q. What connection has he had with the work?

A. As a member of the firm of Haskins & Sells he has had general charge of it, and he has spent a good deal of time in St. Louis going over matters in connection with the whole subject.

Q. And was consulted about the preparation of the Exhibits, and verifying them and all that?

A. Yes sir, and outlined a good many of them and laid out the work for us.

Q. Have you also attended all the hearings up to this time in the Burlington case and the Wabash case and this case, in the hearings before the Master?

A. Yes sir.

Q. You have heard all the testimony?

A. Yes sir.

6558 Q. A great number of exhibits have already been offered in evidence by the State in this case: did you have a hand in the preparation of those Exhibits?

A. Yes sir.

Q. Barring a clerical error which crept into one of them (I think that was Exhibit 36) and any changes that may be made necessary, are those Exhibits in your opinion mathematically correct?

A. Yes sir.

Q. In the examination of Mr. Ludlam, by Mr. Hagerman, which referred to Exhibit 19, he stated in answer to questions as to the manner in which shipments of live stock at the Kansas City stock yards were treated, that that Exhibit treated them as interstate business; and he was also asked whether he had any statement that would show what Exhibit 19 would have been if that Kansas City live stock business had been treated as State business, and he said he had not: Now I will ask you if since that you have looked into that matter, and if you have I wish you would state what would be the effect on Exhibit 19 if the business to and from the Kansas City stock yards had been treated as State business by you instead of interstate business, in that Exhibit.

In revenue, can you tell, what that part of the business during the month of October 1905 amounted to?

A. $10,423.35.

Mr. HAGERMAN: The meaning of which would be, if it was to be treated as State business, that amount would be taken from the total interstate revenue in column 3 of Exhibit 19, and added

6559 to the total state revenue, wouldn't it; that would be the change that would be made?

A. Yes sir.

Mr. LADD:

Q. The tonnage which would be affected by treating that as state business would be that that amount of money would be added to the revenue from state business, and a similar amount deducted from the revenue shown by that exhibit for interstate business?

A. Yes sir.

Q. What effect would that change have on the revenue per ton mile of each class of business?

A. It would reduce the revenue per ton per mile in interstate carload business from 6.667 mills to 6.498 mills.

Q. That change would be effected in the first figures in column 8 of Exhibit 19, wouldn't it?

A. Yes sir.

Q. What would be the effect on the revenue per ton mile on the state business?

A. The revenue per ton per mile on the state carload business, line 4 or Exhibit 19, would be increased from 12.170 to 12.908 mills.

Q. You mean one cent, don't you?

A. Yes sir.
Q. From 1.217 cents?
A. Yes sir, to 1.2908 cents.
Q. Have you calculated what effect it would have on the revenue per ton per mile on the total interstate business?
A. Yes sir, it would reduce the revenue per ton per mile
6560 on all interstate business from 7.796 mills to 7.647 mills.
Q. Those are the figures in column 3 of Exhibit 19?
A. Yes sir.
Q. What effect would it have upon the revenue per ton mile as shown in line 6 of column 8?
A. It would increase that figure from 1.6619 cents to 1.7087 cents.
Q. So that changing that from interstate business as you have it in Exhibit 19, to state business, would result in a situation more favorable to the contention of the State, wouldn't it?
A. Yes sir.

Mr. LADD:

Q. Will you please look at Complainant's Exhibit 5-*a*, page 1. Have you made a calculation as to the ratio of earnings on commodities affected by the law of 1905, to the total earnings on state freight not including the earnings incidental to freight traffic, and if you have what is it for each year?
A. It figures between 13 and 14 per cent in each year.

Mr. HAGERMAN:

Q. What do you mean by that: commodities affected by the Act are 13 or 14 per cent of the revenue at the old rates?
A. Yes sir.
The MASTER: I do not think I quite gather that.
Mr. HAGERMAN: Prior to the law of 1905, the revenue,
6561 as I understand—and if I do not understand correctly please correct me,—the revenue received on commodities affected by the Act of 1905 would be 13 or 14 per cent of the total revenue received from all business in Missouri: is that right?
A. Yes sir.
Q. 13 or 14 per cent of the $1,632,000.
Q. $227,000.00 of earnings in 1905 on the commodities affected by the law of 1905 would be 13 or 14 per cent of that $1,632,000.00.

Mr. LADD:

Q. Assuming that to be true, that the revenue from the commodities affected by this Act, are between 13 and 14 per cent, take it at 14 per cent, on the total revenue from the State freight business, what percentage would that be of the total freight revenue, being the loss in revenue from the transportation of these commodities by the Act of 1905, would be 32.83 per cent—let me change that.

Assuming, as the Complainant does in one of these Exhibits, that the losses occasioned by the Act of 1905 would be 32.83 per cent in

revenue on the commodities affected by the Act, what percentage would that loss be of the total state revenue?

Mr. HAGERMAN: Assuming that the loss on this revenue alone was the 32.83 per cent in the fourth line of Exhibit A?

Mr. LADD: Yes, and that the loss on those commodities is 14 per cent of the revenue on those commodities, what percentage of the total state revenue does that loss amount to?

A. You want me to include the miscellaneous earnings,
6562 don't you?

Q. You did before?

A. Yes.

Q. Then exclude them now.

A. It would be a little over 4½ per cent.

Mr. HAGERMAN:

Q. The meaning of that is that the $74,699.68 in the first page of Exhibit A is 4½ per cent of $1,658,527.67 on the 5th line: is that the idea?

A. No sir. It is 4½ per cent of the figure shown in the first line of Exhibit 5-*a*, page 3.

Q. You have excluded in your calculation that $25,671.53?

A. Just to keep the earnings on the same basis as the commodities affected by the new law, in the first item.

Q. If we want to know what per cent of the total earnings shown by Exhibit A from the state business, the decrease in earnings at the new rate would be, you would divide this decrease as shown on the first page by the total revenue?

A. Yes sir, it would make a very slight difference.

Q. Something in the neighborhood of 4½ per cent?

A. It would make it a little less.

Q. But the fractional difference is not worth the trouble of calculating it?

A. It would not be much trouble if you want it done. The calculation shows that in the first case it is nearer 4.6 than it is to 4.5.

6563 Mr. LADD: The exhibits which have been offered on the part of the State here, proceed upon the theory that the closest approach to an accurate result, whether as to cost or as to revenue in the State business, is the theory known as the "ton mile theory" the cost per ton mile and the revenue per ton mile?

Now I will ask you what is your opinion of that theory as distinguished from any other theory that you have heard of. That is, whether by the adoption and application of it, results can be more accurately reached than in any other way, and why?

A. My idea is that it is the most correct basis, and the one that furnishes the best unit for a division of expenses, it is a ton of freight one mile.

Q. And earnings?

A. And earnings, too.

Q. Why?

A. Because it is a ton of freight one mile. It takes into consideration the length of the haul.

Q. Is that important?

A. The furnishing of the track, the equipment, and the running of the trains, is a large part of the total operating expenses. The distance that the freight had to be handled, it seems to me, is the most important thing to be considered, when you come to think about the cost of it.

A train may consist of two cars or of forty cars: and so a train mile is not as good a unit.

I think the ton mile is the best basis that is know-. My
6564 idea is that it is the best.

Q. How is the ton unit?

A. I think the ton unit fails to take into consideration the length of haul and the service. I think the cost is the same where the service is the same, and that the only difference is cost is where there is some difference in service. A ton going one hundred miles uses one hundred miles of track. It uses the equipment for one hundred miles, and has to be cared for for one hundred miles. The whole machinery of the railroad is maintained to see that shipment through to its destination, one hundred miles.

With a ton going fifty miles, the track and equipment and train service and all end fifty miles away.

Q. I will ask you whether you think the results reached in a case like this, upon the application of the ton mile theory, are accurate exact?

A. I think so far as the unit is concerned they are exact.

Q. I know that as far as the unit is concerned they are exact; But can we accurately determine the exact amount of net earnings on any particular class of business, by the application of any theory of calculation?

A. I do not think so.

Q. From the study which you have given to the subject and the investigations which you have made into the business of the Wabash Railroad Company and the Missouri Pacific Railway Com-
6565 pany, for the last nine months, do you think that the cost of the State business is twice the cost of the interstate business—I mean per ton mile?

A. No sir.

Q. You say the results which are reached by the application of the ton mile theory, and different results are reached in different exhibits here, offered by the State, based in different hypotheses; You think none of these results *are* to net earnings are accurate. But I will ask you what, in your opinion, based upon your knowledge of the subject gained in the way I have stated, and in other ways,—what kind of an estimate you would make as to the extra cost of doing all State business over all interstate business in this state, per ton mile? As applied, of course, particularly to the Missouri Pacific Railroad?

Mr. HAGERMAN: I object to to it on the ground that this witness is not qualified to express an opinion on the subject.

The objection is overruled.

A. My idea is that that additional expense cannot possibly exceed fifty per cent of the cost per ton per mile of interstate business. That is the limit. I think it is less.

The MASTER:

Q. That is to say, it would not be more than one and one half times as much per ton mile?

6566 A. Yes sir.

Mr. LADD:

Q. That is to say, if one dollar was the unit of cost of interstate business per ton mile, it would not be over one dollar and a half for state business for the same thing?

A. That is it.

Q. What would you say as to the meaning of any calculation based upon the revenue without reference to the service rendered, calculations as to cost I mean?

A. They would not mean anything to me.

Q. I ask you what degree of accuracy do you believe can be reached by the application of the ton mile theory to cases of this kind, and what has been reached: You say in your opinion you do not think it would cost over half as much more per ton mile to do the State business than to do the interstate business: Within those limits of fifty per cent per ton mile do you believe that a reliable result can be reached by the application of the ton mile theory?

A. My theory is that applied to the Missouri Pacific situation, where our investigation showed that the State business was hauled just about half as far as the interstate, that our exhibit 35, which doubled the cost of station, yard, train and engine service, comes as close to showing the actual figures as any that could be made,

6567 to cover this situation. Although I think that in doubling the train and engine service we have more than provided for the maintenance of terminals, which might be heavier on a State shipment than on an interstate shipment. That 35.57 per cent as shown by exhibit 35, appeals to me as being the best figure that could be made, as accurately.

Q. Do you think or don't you think, that there is an additional expense connected with the operation of what are called "way" or local trains as compared with what are called "through trains"?

A. Yes sir.

Q. In your opinion is it fair to charge in the case of the Missouri Pacific Railway all of that extra expense to the purely State business?

A. No sir.

Q. Why not?

A. Because we know that both state and interstate business are handled on the local trains. The exhibits relating to local trains, that were put in, showed more interstate business than State business.

Q. Exhibits put in by whom?

A. By the Missouri Pacific people.

Q. Go on.

A. And because the interstate business as a whole is about three times the State business, that showing of local trains was what we would have expected it to be, generally speaking.

Our working sheets for October, 1905, showed that every station in the state that has an agent, and a good many of them that
6568 have not, that every one of those stations handling both state and interstate business. And those stations are served by the local trains, those interior stations.

Q. Is it fair, in your judgment, to treat the lesser expense of the through trains as applicable wholly to the interstate business?

A. No sir.

Q. Why?

A. Because a great deal of the state business is handled on the through trains.

6569 Cross-examination.

By Mr. HAGERMAN:

Q. What is your age?

A. Thirty-four.

Q. And the extent of your actual railroad operating experience?

A. I was in railroad work altogether about sixteen years.

Q. In what kind of a position?

A. My first work was in the railroad shops in Roanoke, Virginia.

Q. In what position?

A. I was a mere boy, and worked around the car shops. I went into the master mechanic's office, and then——

Q. What position did you hold in the master mechanic's office?

A. Messenger. I was about fifteen. Then I went to the Superintendent's office.

Q. When you got into the Superintendent's office, what position did you hold?

A. Messenger boy; later, secretary; and then, acting chief clerk.

Q. What was your age then?

A. Seventeen, I think.

Q. When you left there?

A. When I left there I was nineteen.

Q. You were there two years?

A. Yes sir.

6570 Q. What was your next railroad experience?

A. I went as private secretary to the gentleman who was in charge of the traffic of the Norfolk & Western Railroad.

Q. How long were you with him?

A. I was with him about a year and a half, and then went to Philadelphia with him when he went with the Reading.

Q. What position did you hold then?

A. Secretary and chief clerk.

Q. For how long?

A. He was there only a few months. I remained for a year with the Reading road, and then went back to the Norfolk & Western.

Q. To the same position?

A. I went back as secretary of the General Freight agent; and then in a short time took a desk as Rate Clerk.

Q. Were you a stenographer?

A. Yes sir.

Q. And stenography was part of your duty during that period?

A. Yes sir, up to the time I took the rate desk.

Q. How long were you rate clerk?

A. I think about a year and a half with the Norfolk & Western, or possibly two years.

Q. Then, next?

A. I went to Harrisonburg, Va., with the Chesapeake & Western, as general clerk.

Q. In what department?

A. It was a small road. I did everything there.

6571 Q. How long were you there?

A. About your years altogether, about three years of which time I was Superintendent of the road.

Q. How long a road was that?

A. Twenty-seven miles.

Q. Anything more in the way of railroad experience—Was that a Haskins & Sells road?

A. They were both interested in it during part of the time I was in charge of it.

Q. Was it in course of construction?

A. It had been completed when I went to it.

Q. What was your next experience?

A. I went to Southwest Virginia as General Superintendent of two little railroads.

Q. About how long were they?

A. About thirty-five miles altogether, including the logging roads.

Q. Were those Haskins & Sells roads?

A. They had nothing whatever to do with them.

Q. Were they logging roads?

A. They were built principally to develop some timber properties.

Q. They were what we call logging roads?

A. There was good country behind them.

Q. But they were not doing much commercial business?

A. Not a great deal.

Q. What other railroad experience have you had?

A. That is all.

6572 Q. How long have you been with Haskins & Sells?

A. I went back to them from a position I had in Texas, about a year ago.

Q. About how much of your time has been devoted to this rate case? Practically all your time since last June?

A. Yes sir.

Q. You made some comparison of Exhibit 5-*b*, or Exhibit 5-*c*, with Group 8 of the Interstate Commerce Commission, didn't you?

A. No sir.

Q. The calculations from that you compared by getting the freight percentage, the cost of moving the freight? Is that right?

A. I first gave you the percentage of the freight expenses to freight earnings in Missouri.

Q. Where, outside of Illinois and Missouri, in Group Eight, is there any state that has great terminals like Kansas City and St. Louis?

A. I do not know of any.

Q. That is, Illinois is the only state that would compare with Missouri?

A. In the terminal expense, yes sir.

Q. Let me get exactly your reason for saying you would charge three-fifths of all that terminal expense outside of Missouri:
6573 We have seen some of the things you have not let enter into it: Now what does enter into it, and what controls you? There must be some way by which you arrive at the three-fifths.

A. As I said before, we had to start with estimates. We estimated that two-thirds of all the tonnage which got into the Kansas City terminals, or any part of them, was business passing through, either destined to or starting from Kansas City proper.

Q. You estimated that two-thirds of it was stuff going through Kansas City?

A. Yes sir.

Q. There is one reason you have given; that two-thirds of the business passes through. Now, what other reason have you for saying that three-fifths of this ought to be charged outside of Missouri?

A. Just for the purposes of this estimate, we figured that the tonnage that passed through would cost one-third as much per ton as business which stopped at or started from Kansas City proper.

Q. Upon what did you base that judgment?

That it cost one-third as much to take care of the through traffic as to take care of the local traffic?

A. We used our own judgment, to a large extent, and, probably, I think Mr. Bethard's testimony influenced me. I think he made an estimate on the cost.

Q. What I want to know is, whether it is a fair result of your testimony to say this: that so far as the Missouri Pacific
6574 Railway is concerned, the terminal expense is three times as great where it is an originating or terminating expense, as it is where it is a mere passing through terminal expense.

A. If you confine that to business that the Company itself is taking through that terminal, I think that might be a fair relation between the two.

Q. That is the position you assume, that it costs three times as much to do that one-third of the business that you estimated either terminated or originated at Kansas City?

A. Yes sir.

Q. Passing to the next subject taking it as a whole, your idea is, that the extra cost per ton mile of doing state over interstate business, could not exceed fifty per cent: is that right?

A. Yes sir.

Q. And I assume, when you say your idea is that, you mean to imply that is a fair estimate, taking everything into consideration?

A. Yes sir, I think that is full high.

Q. That is to say, given the entire expense in the State, it costs fifty per cent more, on the ton mile basis, to do the state business than to do the interstate business, as a whole?

A. Per ton per mile.

Q. Are you willing to give any kind of an estimate on this broad proposition: Leave to the Court the question of determining

6575 upon what basis you must ascertain it, and tell me, whatever the cost is of doing the interstate business, how much more it costs to do the state business?

A. I do not know of but one way by which to make the figures.

Q. What is that?

A. On the ton mile basis.

Q. Then you would not listen to any suggestion, or undertake to give any opinion, based upon anything except the ton mile basis?

A. No sir. I would like to say this, Mr. Hagerman, if I may.

My first impressions of the ton mile were gotten many years ago, when I sat opposite the Chief Traffic Officer of a railroad company, and saw him figure on that basis.

When I got into these cases, and saw them figuring on the revenue basis, I thought immediately it was wrong because I know the state business must have been done at a much higher rate per ton per mile than the interstate business. I have had that in mind from the beginning, and the more I have thought about it, and the more I have listened to the testimony, and found that the railroads out here were run just as I supposed they were, the more I have become convinced that the ton mile is the best basis.

Q. I am assuming you would not swear to it, unless you were convinced that it is so.

A. I am only telling you why I think it is so.

Q. That being so, I am simply asking you whether you

6576 would be willing to venture an opinion, that whatever that cost is, and however it is ascertained, how much extra would it be to do the state business?

A. Only on one basis.

Q. You would listen to nothing else, or consider nothing else.

A. Nothing else would mean anything to me.

Q. You would not express any opinion on any other basis?

A. No sir.

Q. And every opinion you would express would be limited to the ton mile basis?

A. Yes sir.

Q. That is a frank way to put it, and there is no misunderstanding about what you mean.

You did state to Mr. Ladd that there was no way by which it could be accurately determined.

A. I meant that exactly.

Q. This extra cost.

A. Yes sir. None that I know of.

Q. In order to fairly compare, the first of all things you would

have to have would be a comparison of the character of the shipments, wouldn't you?

A. I don't know what you mean by that.

Q. The class of freight. Wheat ought to be compared with wheat, and furniture with furniture, ought it not?

A. Nobody knows what it costs to do any particular kind of business, and nobody pretends to know.

Q. But that is the way to make a comparison, if you are
6577 going to be accurate?

A. I don't think so. I think when you confine this business to state lines, the best information we could get is what we already have. I do not mean to say we have it all, but I think we have the best figures; and that is, the relation of state ton miles to total ton miles, and the average haul of the two kinds of business.

Q. And that does not take into consideration at all the capacity of the car, or the amount of waste tonnage?

A. Well, I know the cars are used interchangeably, and we are sure that every facility that is maintained by the Company is maintained for both kinds of business; it is all hauled over the same tracks and by the same engines.

Q. That is evading answering my question.

A. I don't think so.

Q. You do not allow for any waste tonnage in this comparison.

A. I do not allow that the interstate carload is loaded any more heavily than the state, because I think it is loaded just as heavily.

Q. On the ton mile basis you cannot make any comparison for waste space or waste tonnage?

A. I don't know what you mean by "waste tonnage". If you mean in connection with the carload business?

Q. I mean in connection with all of the business. The state business that is hauled in any month may or may not occupy as much of the connage capacity of the interstate; or, I will concede you, for the purposes of the question, it may be less. But the point
6578 I make is, there can be no accurate comparison unless you have taken into consideration the waste tonnage.

A. Railroads are operated more and more today on the ton mile basis, Mr. Hagerman; and that means getting all you possibly can into a train, and doing all the business you can with one car and one engine. And I do not think there is any discrimination in favor of State shippers when it comes to loading cars. The less than carload business is handled in the same cars, and I cannot see how you——

Q. Will you give me the benefit of an answer to my question, whether the waste space is in favor of state or interstate, there could not be any comparison upon a ton mile basis, by which you would take into consideration the waste tonnage, because it is an impossibility to make the comparison?

A. The ton mile basis takes into consideration the tonnage and the haul.

Q. Does it take into consideration the waste tonnage?

A. It does just as much in one case as it does in the other; that is all I can say about it.

Q. That is all you can say about it?

A. Yes sir, just as much in the case of state as in the case of interstate.

At this point, recess was taken until two o'clock P. M.

6579 After recess on Friday, March 8th, 1907, the following proceedings were had:

Cross-examination of A. P. TALIAFERRO continued.

By Mr. HAGERMAN:

Q. Mr. Taliaferro, what was the assessment by the State Board on the Missouri Pacific Railway in Missouri for the year 1905?

A. As shown by the Journal of the Board of Equalization, the figure was $12,873,704.90.

Q. And what was it for the year 1906?

A. $13,100,052.66.

Q. Upon what basis is the assessment made by the State Board, one-third of the valuation, in the judgment of the Board?

A. I don't know.

NOTE.—It is agreed between the parties that the basis of the assessment is on one-third of the valuation of the property, in the judgment of the Board.

Q. Turn to page 5 of Exhibit 5-*a* for a moment. You will observe on that page the expenses are itemized by certain classifications: Take, for instance, "Maintenance of Way and Structures": Does any exhibit show of what items that consists? What makes up "Maintenance of Way and Structures"? Do Forms 1940 and 1941 show that?

A. No sir.

6580 Q. Your theory about the ton mile basis is bottomed on the fact of the length of the haul, isn't it? In one case the haul is longer than the other?

A. A longer haul produced more ton miles.

Q. And in reality, that is the substance of your judgment *a* about the ton mile being the proper basis, because you get the benefit then of the increased haul, and measure in accordance with the haul?

A. I do not know that I should exactly agree with that, if I understand your question. I think the relation of the haul of state to interstate freight—or, rather, the relation of the haul of state to interstate freight,—is what I would make my estimate on.

Q. I understood Mr. Ludlam in his testimony to put it more sweepingly than that, that he considered the extra haul to be the whole thing, and I wanted to know if you agreed with that view?

A. I would not mean to say that a certain haul would cost a certain figure per ton per mile, and that a longer haul would be less, and a shorter haul more, I would not do that. All I say is, that when the same track, the same cars, the same engines, and the same facilities of every character are being used to do both kinds

of business, my idea is that one could not cost so much more than the other.

Q. The reason you get the difference between the tons and the percentage of tons, as compared with the ton miles, and the percentage of ton miles, is the difference in the haul, isn't it?

6581 A. The longer average haul of interstate traffic produces a larger percentage of interstate ton miles than of tons or revenue.

Q. To make my meaning plain, taking Exhibit 19, in round figures, 75 per cent of the tonnage was interstate, and 25 per cent was state freight?

A. Yes sir.

Q. But when you come to the ton miles, in round figures, according to that Exhibit, 86 per cent was interstate, and 14 per cent state: Now, that difference comes from the difference in the haul, doesn't it?

A. Yes sir.

Mr. LADD: An error was discovered the other day in Exhibit 36, and a new exhibit was to be prepared in place of it, in which that error would be corrected all the way through. I will offer in evidence that paper as Exhibit 36-*a*.

The MASTER: As I understand it, that is to supply the place of Exhibit 36?

Mr. LADD: Yes sir.

Defendant's Exhibit No. 36-*a* is in the words and figures following, to-wit:

6582 Mr. HAGERMAN:

Q. Mr. Taliaferro, have you now before you a tabulation, which we will call Exhibit 46, making certain tabulations in accordance with the mileage in Missouri?

A. Yes sir.

Q. The first column headed "Miles of Road in Missouri," is 939; that represents the number of miles of road owned by the Company?

A. As shown by the annual reports.

Q. And 973 would be the total, included of the miles of road where they have running arrangements over other tracks?

A. Yes sir, the total operating lines.

Q. So the divisor used on this is 973, as applied to earnings, and 939 as applied to the other figures?

A. Yes sir.

Q. The next column, No. 2, "Mortgage Bonds per Mile in Missouri": that is a calculation reducing to per mile in Missouri the tabulation of the bonded indebtedness as shown by Exhibit 39?

A. Yes sir; that is, the outstanding bonds shown by Exhibit 39 total $29,992,500: deducting 35 per cent of $14,904,000, the amount of the consolidated mortgage, to cover 35 per cent of mileage which is said to lie outside of Missouri, leaves $24,776,100.

Q. Which is, in Exhibit 39, allotted to Missouri.

A. Yes sir. I don't know whether the mileage is correct or not.

For the purpose of this statement, I am assuming it is. Dividing that $24,776,100 by 939, gives an average per mile of
6583 $26,389.00.

Q. Assuming that Exhibit 39 was properly apportioned, so as to represent the bonded indebtedness upon which this interest charge is made to Missouri, in the interest as we have it in our accounts, 1/939 of it is this figure you have set out in column two?

A. Yes sir.

Q. Column three is calculated, simply by taking the capital stock as shown by the annual report, per mile?

A. Yes sir; and also dividing it by the mileage shown by that same annual report, of the entire system.

Q. Inside and outside of the state?

A. Yes sir, 3.056 which is said to be their own mileage.

Q. Because it is not divided, by the annual report?

A. No sir.

Q. The next column, four "Value upon State Board Assessment": that is upon the valuation which they agreed here the State Board valued it, one-third, and you have used the multiple of three, and divided it into the number of miles.

Mr. LADD: Mr. Taliaferro did not use any multiple.

Mr. HAGERMAN:

Q. Well, the multiple used in the statement. The $41,839.38 is ascertained in that way, and that is what it would be per mile of 939 miles in Misouri, wouldn't it?

A. Yes sir, that is ascertained by dividing the assessed value in 1906 by the 939 miles.

The MASTER:

Q. The assessed value multiplied by three?

A. Yes sir, the assessed value per mile multiplied by three.

6584 Mr. HAGERMAN:

Q. When you come to deal with the earnings, what is the sum that is divided? Where is that sum that you divide by 973?

A. These figures were taken from Exhibit 5-*a*, put in by the Company, which included all earnings, including certain miscellaneous earnings which were not either passenger or freight, I was told, and the rent earnings.

Q. And there is used in that case as a divisor 973, which represents the total mileage operated, inclusive of that covered by the running arrangement?

A. Yes sir.

Q. If you were ascertaining the earnings per mile, you would say that was the right one to use rather than the 939, which represents the number of miles of road owned?

A. Yes sir.

Q. Is there any other observation you want to make about this Exhibit 46, to be fair with yourself, as to its fairly representing the calculation, and tabulating the thing per mile? Column 4, the

"Value upon State Board assessment," which is set out, and the column itself is subdivided so as to show what it is per mile, and then what the total amount is in the state?

A. Yes sir, the total assessed value, multiplied by three.

Q. That is what $39,300,157.98 means?

A. Yes sir.

Q. Now, have you anything to say further?

A. Yes sir, I should like to say this: We have no means of knowing, of course, what the bonds and stocks were used for,
6585 whether for the purchase and building of roads, or the purchase of other securities.

The securities carried in the balance sheet in the Annual Report, I remember as $92,000,000 as against a cost of road of $72,000,000—so we don't know a thing about what that was.

Q. I haven't asked you if you knew anything, but I simply asked you where you got the figures, and you said you got that capital stock figure from the Annual Report.

A. Yes sir, that is right.

Q. And you got the mortgage bonds from that State Exhibit No. 39?

A. Yes sir.

Q. All I want to know of you is, upon the basis that you have indicated, for getting your figures, where you did, whether these calculations are right in reducing it down to per mile in Missouri: They are, aren't they?

A. Yes sir.

Redirect examination.

By Mr. LADD:

Q. Did you prepare this Exhibit No. 46, Mr. Taliaferro?

A. No sir.

Q. Who did?

Mr. HAGERMAN: I prepared it here in your presence. You saw me do it, and the Master saw me do it.

Mr. LADD: But I want the record to show it.

Q. Mr. Taliaferro, did you prepare Exhibit No. 39?

6586 A. No sir.

Q. Do you know what the amount of mortgage bonds outstanding of the Company is? Have you made any investigation?

A. No sir.

Q. Do you know what the capital stock of the Company is? Have you made any investigation?

A. No sir.

Q. What is it about 65 per cent, and 35 per cent of mileage? There was something said about that: how is that involved here in this Exhibit?

A. The last item of Exhibit 39 is the consolidated mortgage which laps over into Kansas and Nebraska. The Exhibit states that 35 per cent of the mileage covered by that mortgage is outside of the state of Missouri, and 65 per cent is inside the state of Missouri.

Q. Do you know anything about it?
A. No sir.
Q. Have you ever seen the mortgage?
A. No sir.
Q. In column three it is said that the capital stock per mile is $25,464; and then below it, in the same column, it says "3,056 miles." I am referring now to Exhibit No. 46. If you multiply $25,464 by 3.056, what does that amount to?
A. It will give the Seventy-seven Million of capital stock. The average per mile of $25,464, for the capital stock, multiplied by 3.056, gives a total of $77,817,984.

Q. Do you know, or have you investigated, whether that
6587 capital stock was issued on account of the building or construction of the road, or the purchase of the equipment, or anything of that sort?

Mr. HAGERMAN: That is objected to, as immaterial and incompetent, because the witness has disclosed that this is simply a tabulation he made from the annual report of the Company, and that he disclaimed attempting to verify it in any way.
Mr. LADD: He has not made any tabulation at all.
Mr. HAGERMAN: He agreed that that was a tabulation from the annual report. It is injecting argument, and using the statement for a purpose for which it was not intended.
The MASTER: The witness having testified it is a compilation mathematically correct, and you having shown it by one of their witnesses, it is perfectly competent for them to show, not only generally, but in detail, what knowledge, if any, he has of the facts that enter into that compilation.

Mr. LADD:

Q. I will ask you if you know that that capital stock of $77,817,984, which you arrive at by multiplying the average per mile by the total mileage, as shown in column 3 of Exhibit 46, was issued for the construction of the road, or for the purchase of any of the property of the road?
A. I have no information whatever on that subject.
Q. Will you please look at page 29 of the 26th Annual Report of the President to the Directors and Stock-holders, for the year ending June 30, 1906, at the top of the right-hand column on that page, and see what that states as to what that capital stock, amount-
6588 ing to $77,000,000 odd dollars was for, and what it included?
A. The first item on the financial report you refer to reads: "By capital stock (including amount exchanged for capital stock of the St. Louis, Iron Mountain & Southern Railway)."
Q. And what are the figures opposite?
A. $77,817,875.00.
Q. Look at page 33 of that same report, under the head of "Financial Exhibit of St. Louis, Iron Mountain & Southern Railway Company:" How much of the capital stock of the St. Louis, Iron Mountain & Southern is shown there?
A. $44,390,098.59.

Mr. HAGERMAN:

Q. What is the heading of that page?

A. "Financial Statement of St. Louis, Iron Mountain & Southern Railway Company, June 30, 1906."

Q. And what is the heading of the other page you read from?

A. The heading of page 39 is "Statement No. 3, Financial Exhibit Missouri Pacific Railway Company June 30, 1906."

Mr. LADD: In connection with this examination, I will offer in evidence page 29 of the same report, of the President to the Stockholders and Directions, as Defendant's Exhibit No. 47.

Mr. HAGERMAN: Objected to as incompetent, irrelevant and immaterial.

The MASTER: Objection over-ruled.

Defendant's Exhibit No. 47 is in words and figures following, to-wit:

6589 Mr. LADD: I offer in evidence page 33 of the same report, of the President to the Stockholders and Directors as Defendant's Exhibit No. 48.

Mr. HAGERMAN: That is objected to as incompetent, irrelevant and immaterial.

The MASTER: The objection is over-ruled.

Defendant's Exhibit 48 is in the words and figures following, to-wit:

6590 Q. Look at page 29, the Financial Exhibit of the Missouri Pacific Railway Company, and state what it shows as the cost of road, equipment, etc.

A. $72,508,400.24.

Q. Will you please divide that by the mileage, 3.056 miles and see what it is a mile?

Mr. HAGERMAN: Objected to as immaterial and incompetent.

Objection over-ruled.

A. Dividing $72,508,400.24 by 3.056 miles, gives an average per mile of $32,727.

Q. In speaking of your estimate of the extra expense of doing the state business over interstate this morning, you said something about 50 per cent. What is it about 50 per cent?

A. I said that my estimate of the additional cost of state business over interstate business on the Missouri Pacific Railway in Missouri was that it could not possibly exceed fifty per cent; not that it was fifty per cent.

6591 A. P. TALIAFERRO recalled, testified as follows, to-wit:

Direct examination.

By Mr. LADD:

Q. Mr. Taliaferro, it was either said or suggested here yesterday that you had conceded the accuracy of the figures shown in Exhibit

5-*c*, as to interstate and state freight earnings for the different months in 1905:

Now, the total of these figures, as shown on that exhibit, for state freight is $1,632,856.14: and for interstate $3,777,390.45: Do those figures correspond with the figures given for earnings in Exhibit 5-*a*?

A. Yes sir.

Q. In Exhibit 5-*c* it is sub-divided into months?

A. Yes sir.

Mr. HAGERMAN: Exhibit 5-*c* is a monthly tabulation of what makes up the total.

Mr. LADD: If I recollect aright, Exhibit 5-*c* was introduced on your cross-examination by Mr. Hagerman, and you copied it in pencil from some books or papers in the office of the Railroad Company, and had it put in type-written form for Mr. Hagerman: is that it?

A. Yes sir.

Q. It got in in that way?

A. Yes sir.

Q. Have the State experts conceded the accuracy of these figures as to earnings? That is what I want to know.

A. We did not change them in making up our statements Exhibit-30 and 31, for instance.

6592 Mr. HAGERMAN: I submit that is a question that has been fully gone into.

Mr. LADD: Some one undertook to suggest yesterday that we conceded the accuracy of these figures.

The MASTER: Whether conceded formally or not, they have been accepted.

Mr. LADD: They have been accepted for certain purposes, and I wish to have the witness explain that.

Q. Have you or your assistants ever gone over the waybills, or the records, except as to the month of October, 1905, to verify in detail the accuracy of these returns of revenue for the different months of that year?

A. Not for any entire month; no sir.

Q. Except October?

A. Except October.

Q. You have, haven't you, in many of your exhibits——

The MASTER:

Q. You found October to be correct?

Mr. LADD: Our Exhibit 19 shows the earnings for October.

Q. Why wasn't that done for these different months, the other months in 1905, the same as you did it for October, 1905?

A. The volume of work would have been so great that we couldn't do it, and we didn't undertake to do it.

Q. A great many, or a number of your exhibits and your computations, have been based upon the figures of earnings, both state and interstate, for that year, as given in Exhibit 5-*a*; that is true, isn't it?

A. Yes sir.

6593 Q. And is that the reason, because you were not in a position to dispute them, except as to October?

A. Yes sir.

Q. They have been assumed to be correct for the purposes of the exhibits?

A. Yes sir.

Q. But you have not verified the correctness or absolute accuracy of the earnings for any of these months except October, 1905: is that true?

A. Yes sir, that is true.

Q. And you have not undertaken to do it?

A. No sir.

Recross-examination.

By Mr. HAGERMAN:

Q. You said on your former examination that you had gone through and made enough of an examination of the earnings to know that they were near enough correct that you did not want to test them?

A. I don't think I testified in regard to that at all.

The MASTER: If no contest is made over them, what more do we want?

Mr. HAGERMAN: I cannot understand the purpose of this. If it is re-opening the case, I want to know it.

Mr. LADD: It is simply this: an argument is made here that because our figures, the result of our investigation of October, 1905, which was extremely painstaking, do not correspond with the figures for the whole year, as shown in Exhibit 5-*c*, therefore, our

6594 Exhibit 19, which covers only October, 1905, cannot be correct, because we have conceded that Exhibit 5-*c* is right, as a whole.

The MASTER: All these matters are necessarily in the case. It has been understood all the time that only one month of that year was taken to be verified. The others were accepted, because, as Mr. Taliaferro says, the magnitude of the work was such as to forbid going over the whole of the year.

6595 —. Turn now to Mr. Ludlam's Exhibit No. 19, and I will ask you if there has been prepared, and if so and it is correct will you produce, a statement which I will ask to have marked "Complainant's Exhibit No. 19-*b*."

A. We have prepared a statement based on the figures shown in Defendant's Exhibit 19, to be introduced as Exhibit 19-*b*.

Q. That is to say, Defendant's Exhibit 19 purported to be a statement of the tonnage, the ton miles, and the freight earnings, for the month of October, 1905?

A. Yes sir.

Q. And Exhibit 5-*c*, was a statement of the actual state and interstate earnings for the entire year of 1905?

A. Yes sir.

Q. This Exhibit 19-*b* is prepared for the purpose of showing that Exhibit 19 is upon a wrong basis, so whenever the figures therefrom are used, they are wrong figures?

A. Yes sir.

The MASTER: I assume this Exhibit is self-explanatory?

Mr. HAGERMAN: Yes, absolutely. I shall not go through the details, because it explains how it was made up.

I offer in evidence this paper as "Complainant's Exhibit No. 19-*b*.

Complainant's Exhibit No. 19-*b* is in words and figures following, to-wit:

6596 Q. Exhibit 5-*c* shows that as a matter of fact the freight earnings for October were what per cent of those for the year?

A. Exhibit 5-*c* shows that for October the freight earnings were 9.2 per cent of the earnings for the entire year.

Q. To make the multiple so as to have October represent the entire business for the entire year, what would you have to use.

A. Ten and a half.

Q. The result of that comparison, without going through the detail, if you apply that ten and a half to Defendant's Exhibit 19, what is the result, and what are the differences?

A. The interstate figures on Exhibit 5-*c* are $26,697.16 less than the interstate earnings in Exhibit 19.

Q. That is to say, if you take Exhibit 19, and compare it with Exhibit 5-*c*, which the Defendants produced as representing the actual earnings, he has in Exhibit 19 $26,687.16 more than ought to be in the interstate earnings?

A. Yes sir.

Q. And what are his figures as to state earnings?

A. The state earnings for the month of October, as shown upon Exhibit 5-*c*, amount to $146,976.02, or $16,138.46 more than the state earnings shown in Exhibit 19.

Q. That is to say, he diminishes the state earnings $16,138.46, by his method of calculating, from the actual figures?

A. Yes sir.

Q. And he increases the interstate $26,687.16 over and above the actual figure.

A. Yes sir.

6597 Q. And what is the total difference made up by that result?

A. Exhibit 5-*c*, total earnings, $497,993.76, or $10,548.70 less than the total earnings on Exhibit 19.

Q. How much in dollars and cents does it make the difference for the year on interstate earnings?

A. The interstate earnings, as shown on Exhibit 19, amount to $280,215.18.

Q. That is too little?

A. More than they do on Exhibit 5-*c*.

Q. And how about the state earnings?

A. The state earnings as shown by Exhibit 19 are $169,453.83 less than they are on Exhibit 5-c.

Q. What is the result when you apply the figures in Exhibit 19, on the basis of tonnage, to the actual situation?

A. Exhibit 19 shows that 86.63 cents per ton was received for all state freight.

Q. That finally results, without going through the subdivision, in a difference for the year of how much, in tonnage?

A. The total tonnage equals 596,638 tons, as against 610,534 tons, as shown by Exhibit 19; a difference for the month of 13,846 tons. Or, using a multiple of ten and a half, for the year, 145,383 tons.

Q. By his method of figuring, how much in tons does he cut us out of, in state tonnage?

A. The state tonnage for the month of October is 18,626 tons more than is shown by Exhibit 19.

Q. For the year what would that be?

6598 A. For the year, 195,373 tons.

Q. So when you deal so far with this Exhibit 19-*b* both with the revenue and with the tonnage, you find these extraordinary changes.

Now, what is the result when you figure upon his Exhibit 19 as to the tons per mile?

A. The total makes a deficit for the month of October of 2,449,368 ton miles.

Q. And for the year?

A. 25,718,364 ton miles.

Q. And how much in ton miles are we deprived of by his method of figuring, in state freight?

A. The state freight for the year shows a difference of $10,194,964 ton miles.

Q. Practically, every exhibit submitted by the State, for the purpose of showing net earnings, uses as a basis the ton miles and the amount received per ton per mile, as shown by Exhibit 19, doesn't it?

A. Every exhibit submitted by the State—yes.

Q. So, if you are right, and these figures you have given in Exhibit 19-*b* are right, and prove themselves, every figure used by the State's expert is wrong?

A. To the extent of these differences—yes sir.

Q. Hove you prepared an exhibit called Exhibit 26-*a*?

A. Yes sir.

Q. For the purpose of showing the density of traffic on different portions of the road, as compared with the entire system?

A. Yes sir.

6599 Q. Is that correct?

A. Yes sir.

Mr. HAGERMAN: I will offer in evidence this paper as Complainant's Exhibit No. 26-*a*.

Complainant's Exhibit No. 26-*a* is in words and figures following, to-wit:

6600 Q. I notice in the last part of this exhibit this expression: "The general conditions on the St. Louis, Iron Mountain & Southern are so different and so much better than on the Missouri Pacific Railway, proper, that a general average cost on the system is no indication of the cost on the Missouri Pacific Railway, even in the state of Missouri."

That is correct, is it?

A. Yes sir.

Q. Why so—Mr. Johnson?

A. That is due, in a great measure, to the class of tonnage handled on the Iron Mountain, and the system of routing that tonnage. The average loading per car and the average loading per train, and the length of the haul.

I might say this statement is simply a copy of the figures taken from Forms 1940 and 1941.

Q. That is to say, you have taken those figures from those forms which the Defendants produced as exhibits?

A. Yes sir.

Q. Have you prepared an exhibit to be filed as Exhibit No. 25-*a*?

A. Yes sir.

Q. Is that correct?

A. Yes sir.

Q. This Exhibit is prepared for the purpose of showing that if you undertake to apply Exhibit- 19, 28, 29, 30 and 31, and take your earnings as they are in Exhibit 5-*a*, the result will be that there is a very large deficit in earnings?

A. Yes sir.

6601 Q. Exhibits 28 and 29 show the cost per ton per mile, reduced to the cost per ton, which is based upon figures applicable to the entire system, as shown by Forms 1940 and 1941; and that you say is not fair, because the cost in Missouri is not — be compared to the cost on the system, as explained in this Exhibit 26-*a*?

A. Yes sir.

Q. Exhibits 30 and 31 purport to do what?

A. Exhibits 30 and 31 purport to show the earnings, or divide the earnings, as shown by Exhibit 5-*a*, into carload and less than carload, state and interstate. That is, it does that, among other things.

Q. Exhibit 30 is what?

A. Exhibit 30 arrives at the number of tons per mile, by dividing the total revenue shown by Exhibit 5-*a*, by the revenue per ton per mile as shown by Exhibit 19.

Q. If you apply that method to arrive at the number of tons, and the cost per ton, what is the result, as applied to the actual figures?

I do not care for you to go through the example as you have set it out here, but what is the result? That is to say, Mr. Ludlam figured it at single cost, double cost, and treble cost. If you undertook to figure in any other way, how much is the actual deficit in actual earnings, applying his figures?

A. Actual deficit?

Q. Actual cost, I guess it is.

A. On the second page of this Exhibit 29-*a*, it shows those figures.

6602 The single cost interstate is..... $2,662,795.43
The single cost state is..... $711,476.26

This makes a total of..... $3,374,271.69

While the actual freight expense in the state of Missouri, as shown by Exhibit 5-*a*, was $4,203,320.24
Or a difference of..... $829,048.55

Q. That is to say, if you take those exhibits of Ludlam, and figure upon the basis of cost per ton, you will find there is, without allowing any increased. cost on state business, an actual deficit in the exhibit of $829,048.55?

A. Yes sir.

Q. And this exhibit shows exactly how it works out, to a mathematical certainty?

A. Yes sir.

Q. At Mr. Ludlam's double cost, how much deficit is there, when you figure it on the basis of tons, as he gives it in Exhibit 19?

A. This is assuming that only station, yard, train and engine service has been doubled?

Q. Just what he said before.

A. The double cost interstate is..... $2,584,629.30
The double cost state is..... $808,136.76

Or a total of..... $3,392,766.06

Q. Or a deficit of how much?

A. While the cost as shown on Exhibit 5-*a* is..... $4,203,320.24
Or a difference of..... $810,554.18

6603 Q. Take the triple cost, just as Mr. Ludlam figures it and then take it as shown in Exhibit 19, and how far short does it come of meeting all expenses?

A. The difference between the total cost on that basis, and the freight expense in Missouri, as shown by Exhibit 5-*a*, would be $795,134.20.

Q. Going to his Exhibit 19 again, upon a basis of ton miles, what is the result, in finding a deficit in the expenses? You need not give the subtraction, but the total deficit ascertained in that way, in ton miles, at single cost.

A. The difference between the figures arrived at on that basis, and the expense reported by the Railroad Company, at single cost would be $816,265.75.

Q. At his double cost or method of figuring, what would it be?

A. $797,772.66.

Q. At his method of figuring triple cost, what would it be?

A. $782,380.61.

Q. That is to say, taking now as true his estimate in certain exhibits as to the number of tons, and the number of ton miles, the

result is that you lack these sums, figuring just as he figures, of getting the actual expenses actually paid out?

A. Yes sir.

6604 Mr. HAGERMAN: I will not offer in evidence this paper, as "Complainant's Exhibit No. 29-*a*."

Complainant's Exhibit No. 29-*a* is in words and figures following, to-wit:

6605 Q. This paper marked Exhibit 36-*b*, has been prepared mainly from figures originally obtained by Mr. Roth, and you assume them to be correct, do you?

A. Yes sir.

Q. With that assumption, and relying upon him as to that matter, the statement is correct?

A. Yes sir.

Mr. HAGERMAN: I will now offer in evidence this paper as "Complainant's Exhibit No. 36-*b*."

Complainant's Exhibit No. 36-*b* is in words and figures following, to-wit:

6606 Q. That is the purpose of Exhibit 36-*b*, Mr. Johnson? It applies to Exhibits 36, 37 and 38, as afterwards corrected by Exhibits 36-*a*, 37-*a* and 38-*b*?

A. Yes sir.

Q. That is to say, there were some figures as prepared by Mr. Ludlam which, during the course of his examination, he corrected, and filed the corrected exhibits?

A. Yes sir.

Q. Exhibits 36 and 36-*a* were upon the basis that there were twelve through trains, whereas the time-table showed there were eight through trains, four each way, and twenty-nine local trains, fourteen west-bound, and fifteen east-bound; these are matters which you say were checked up more particularly by Mr. Roth?

A. Yes sir. This statement was made altogether by Mr. Roth, and from figures which he secured.

Q. In apportioning it, and going over it with him, you assume that he has correctly gotten his figures?

A. Yes sir.

Q. What is the result?

A. The examination first of the records of the Transportation Department of the Missouri Pacific developed the fact that on the Eastern Division, during the month of December, 1906, the following number of trains was actually handled?

Through trains, 579:

Of the way freight trains there were 363 local trains, 773 ordinary freight trains, and 208 mixed freight and passenger trains.

6607 Q. Making a total of how many?

A. Making a total of 579 through trains, and 1334 local trains.

Q. In Exhibit 36, and the subsequent exhibits to which we re-

ferred, were prepared by Mr. Ludlam upon the theory that what percentage of the through trains were local, and what percentage through?

A. On the theory that there were twelve through trains and two locals.

The MASTER: For that one day.

Mr. HAGERMAN: He takes that one day, and applies it, and makes a year out of it.

Q. What I want to get in percentage, upon Mr. Ludlam's figures, and the basis upon which he has prepared these exhibits, about fifteen per cent is local, and eighty-five per cent is through trains.

A. One-seventh, or 15 per cent, of all freight trains was local; and six-sevenths, or 85 per cent, were through trains.

Q. Assuming the figures as shown by Mr. Roth, and as shown by these time-tables, to be correct, as a matter of fact what was the real per cent?

A. 78 per cent were local trains, and 22 per cent were through trains.

Q. If you apply those figures to Ludlam's exhibits, it would absolutely disfigure and destroy them?

A. Yes sir.

Q. His figures are based upon the idea that fifteen per
6608 cent of the freight trains were local, and about eighty five per cent of them through trains?

A. Yes sir.

Q. And instead of that 78 per cent were local, and 22 per cent were through?

A. Yes sir.

Q. This Exhibit 36, and the subsequent exhibits, state that only 5.8 per cent of all the freight was carried on these local trains, and 24.2 per cent was carried on through trains; what have you to say about that? Taking his Exhibit 19, for instance, to show the total tonnage, and applying your multiple?

A. Exhibit 19 shows the total tonnage handled in Missouri during the year 1905 was of state freight 1,884,955 tons; and of interstate freight 4,895,505 tons; or, 6,480,260 tons in all.

Applying these percentages of 5.8 and 94.2, the local trains would carry 375,855 tons, and the through trains would carry 6,104,405 tons.

Now, assuming that the month of December is one-twelfth of the year's tonnage, the 1334 local trains would have carried 31,321 tons, or about 24 tons per train. And the 579 through trains would have carried 508,700 tons, or about 878 tons each.

Q. That would be practically a physical impossibility in railroading, to say the way trains never carried more than 24 tons each, as against 878 tons for the through trains: Is that right?

A. Yes sir.

6609 Q. Go on with the rest.

A. Exhibit 14-*a* gives the average load for trains examined, eight through trains 470 tons, and eight local trains 204 tons each, on the average.

The records in the Transportation Department show that the average number of gross ton miles per train is, through trains 99,243; local trains 43,282.

That is to say, that whereas the statistics show that the through trains' gross ton miles are only a little more than twice as great as the local trains' ton miles, notwithstanding the very much longer haul which the through train freight would be carried, the tons per train, based on Exhibit 36 et sec. would be 37 times as great.

Q. That is to say, the way Mr. Ludlam figures it, the ton miles are 37 times as great upon the through as upon the local trains, whereas statistics show about twice as much?

A. A little over twice as much.

Q. Go on with another illustration?

A. Exhibit 14-*a*, local trains, gives percentages of state freight as 41 per cent, and interstate freight as 59 per cent; while Exhibit 15 gives that of through trains, state freight 7 per cent, and interstate freight 93 per cent.

Applying those percentages to the total number of state and interstate tons carried as shown by Exhibit 19, on the basis upon which Exhibit 36 etc. were prepared, the result would be:

The local trains carry of state freight	154,101	tons
" " " " " interstate "	221,704	"
Or a total of	375,855	"

6610

The through trains carry, of state freight	427,308	tons
" " " " " interstate "	5,677,097	"
Or a total of	6,104,408	"

Q. To get down to percentages, if you apply Mr. Ludlam's figures in Exhibit 19 to these percentages, upon the basis on which he prepares his Exhibit 36, etc., what is the shortage? Instead of carrying 1,854,955 tons, as shown by Exhibit 19, we carried how much state freight, actually?

A. 531,409 tons.

Q. That is what per cent?

A. That is 31 per cent.

Q. What excess do you get of the interstate?

A. The interstate freight would be 5,898,851 tons, or 29 cent more than the actual number of tons of interstate freight, as shown by Exhibit 19.

Q. Now, what general observation do you make upon that result?

A. These figures show that Exhibits 14-*a* and 15 were prepared only to show that more tonnage was carried on certain particular through trains than upon certain particular local trains. They did not give the average for the entire railroad, but for trains upon the best part of the main line, where the result would be the most favorable which could be claimed by the State on any part of the railroad.

Q. What do these exhibits show was actually carried, on the through as against the local trains?

A. 470 tons on the through, as against 204 tons carried by the local trains.

6611 Q. That is more like two to one than thirty-seven to one?

A. Yes sir.

Q. Have you prepared, and will you produce as Exhibit 55, a summary of the reasons why the cost or expense as between state and interstate freight should be determined upon a revenue basis, as distinguished from a ton mile basis?

A. Yes sir.

Mr. HAGERMAN: I will now offer in evidence this paper, as "Complainant's Exhibit 55."

Complainant's Exhibit 55 is in words and figures following, to-wit:

6612 Q. I want to ask you a few questions in the way of your observation, about it being a uniform way?

The MASTER: Let me understand this exhibit Mr. Hagerman: You have caused the witness to reduce to a concise form the various reasons which sustain this theory why the expenses chargeable to state freight should be determined upon a revenue instead of a ton mile basis?

Mr. HAGERMAN: Yes sir.

The MASTER: And you propose to let these reasons appear in this Exhibit No. 55, as explanatory of those reasons?

Mr. HAGERMAN: Yes sir. I don't know that it is necessary to examine him in detail about it, but one reason why it becaise necessary was especially on the question of uniformity. We had to take Mr. Ludlam's testimony and show that upon one item he would do it upon the ton mile basis, and on another upon the ton basis, and upon another item in still another way. We have had to make references to his testimony, to make the contrast, and I did not know but I could pass this exhibit without going into any extended examination.

The MASTER: I do not intend to limit you in any way, but I wished to understand the purpose of the exhibit. It is as if the witness were testifying *viva voce* to the statements contained in this paper: That is what it is?

Mr. HAGERMAN: Yes sir.

The MASTER: It is a convenient and concise way of putting the views of the witness into the record.

Mr. HAGERMAN: Yes, and drawing a sharp contrast between the different places in the record where Mr. Ludlam expressed

6613 his views upon the subject.

Mr. LADD: It also refers to decisions.

Mr. HAGERMAN: Yes sir, to Smythe vs. Ames, and the North Dakota case, where Judge Brewer and Judge Thayer said the ton mile basis was not the right basis, and that the revenue basis was.

It starts with that simply to direct the attention of the Master to it.

Next he says it is the simple way. And that Mr. Ludlam admits.

Then he starts with the proposition that it is the uniform way. And in that he contrasts it with Mr. Ludlam's method.

Mr. LADD: Of course, I don't care about it, but it seems a little odd that a witness should refer to decisions, giving the books and pages.

Mr. HAGERMAN:

Q. So far as the first paragraph of Exhibit 55 is concerned, and the references therein to these cases, you are advised by Counsel for the Railroad, that was what was decided in the various cases, and we had the various cases before us in preparing this paper?

A. Yes sir.

Gen. HADLEY: I regard it as out of order for a lawyer to write out an argument, giving decisions of the Supreme Court, and have the witness swear to it. Your Honor knows what the decision is.

Mr. HAGERMAN: That is one of the reasons for saying that the ton mile basis is not the best method.

6614 The MASTER: In answer to an interrogatory put by the Master, Counsel for the Complainant has stated that this exhibit is merely for the purpose of putting in a concise and convenient form, the reason upon which this witness bases his opinion that the revenue basis is the correct one, and not the ton mile basis. Now, whether the Master will follow him, and adopt his opinion as reasonable, is for the Master to determine later.

Gen. HADLEY: I recognize that, but Counsel has just indicated that he has informed this witness about these cases, and then had this paper prepared, and is now asking him to give the legal argument as his testimony.

The MASTER: Proceed.

Mr. HAGERMAN:

Q. I will ask you the question, Mr. Johnson, whether you agree with Mr. Ludlam that the simple way to apportion the expenses is on the revenue basis.

A. There is no doubt but what that is a simple way.

Q. What about its being the uniform way? You can apply it to everything?

A. A basis of that kind could be applied to all classes of expense.

Q. Mr. Ludlam, at one place in his testimony which is referred to in this Exhibit, claims that some of the terminal expenses are affected by the length of the haul, because trains with a long haul pass through terminals; and then, when he comes to deal with the terminal situation at Kansas City he says the local expense

6615 is three times as great as the terminal expense on freight passing through: do you recall that?

A. Yes sir. I might say here, that the terminal expense on freight passing through was what he called "the way terminal expense," as distinguished from the originating or destinating terminal expense.

Q. He undertood to detail a lot of terminal expenses where he said they were not affected by the haul at all, and practically admitting that the ton mile basis could not be applied to them. Then he said there was a certain class of expense where the long haul did affect the situation, where the trains passed through, although they did not use them as an originating or terminating terminal: do you recall that?

A. Yes sir.

Q. What class of expenses, in a general way, would you say are not affected by the haul at all?

A. I should say practically all of the station and yard service expense was incurred without regard to the length of haul, for this reason: I do not believe the intermediate terminal expense will amount to enough to make a calculation upon it.

Q. That is to say, you think the "passing through" expense would be such an incidental matter it would not justify making a calculation: Is that right?

A. Yes sir.

Q. If, as Mr. Ludlam says, the ton mile basis depends entirely upon the length of the haul, how could you ascertain by any just method, the expense upon the ton mile basis, as to such things as these?

6616 A. I don't believe you could, where the terminal expense, or practically all the station and yard expense, amounted to such a large proportion of the expenses of the railroad.

Q. Take the freight expenses of the Kansas City terminals, in the neighborhood of 780 odd thousand dollars a year; and I presume it is as much or more than that in St. Louis?

A. I should say the entire St. Louis terminal expense is probably twice as much as it is in Kansas City.

Q. That would make the entire terminal expenses in the State of Missouri, at those two terminals, about how much, in round numbers?

A. Probably forty per cent of the total operating expense.

Q. So, if Mr. Ludlam is right that the ton mile basis can apply only where the length of haul is involved, and the length of haul is the only basis for dividing on the ton mile basis, there is practically forty per cent of the operating expenses in Missouri that could not be measured—on his own testimony?

A. Practically that.

Q. That eliminates places like Jefferson City and Sedalia, and other places in the state, where there are long terminals, doesn't it?

A. Yes sir.

Q. At another place in the testimony, I believe it is on pages 1274, 1276 and 1280, Mr. Ludlam says the valuation upon which a return is to be had should be upon a revenue basis, and not

6617 upon a ton mile basis. He admits that must be upon a revenue basis. That is an illustration of the lack of uniformity of his rule?

A. Yes sir.

Q. At another place in his testimony he says that the rentals

should be divided upon the basis of ton miles moved over the rented tracks. That is not the ton mile basis, to which he has already referred, is it?

A. He would take the number of ton miles, or, rather, the freight handled that moved over that track, for which we pay rental, as compared with the total ton mileage of the Missouri Pacific Railway, as between state and interstate.

Q. That is another matter upon which he would make another division?

A. Yes sir.

Q. At page 1429 he says that passenger and freight should be divided upon the basis of net revenue; what would that be? What do you understand that to be?

A. That is the interest on our bonded indebtedness.

Q. What does he mean by "net revenue"?

A. Instead of dividing upon the ton mileage, or the gross revenue, he would divide it upon the net revenue, as between freight and passenger.

Q. According to his own testimony, that is four variations he makes in the application of his ton mile basis, isn't it?

A. Yes sir.

Q. When he gets to dividing state and interstate freight, on pages 1281 and 1282, he does that on a ton basis: do you recall that?

6618 What I want to get at now is, what is the ton basis as distinguished from the ton mile basis: whether that is a fifth method which he refers to.

Mr. Ludlam was asked this questions:

"Assuming that we are to make a distribution of interest on the bonded indebtedness, wouldn't you say the fairer way would be to distribute the proportion that applied to these fixed items, where you say it ought to be ascertained upon the cost per ton as distinguished from the cost per ton mile, and should apply to that?"

To which he replied as follows:

"Yes sir, in the case of those items where I say it would be fairer to apply it on the per ton rather than per ton mile, I would say the interest, where it relates to those items, should be correspondingly distributed."

A. In other words, the interest on the items covered by the terminals.

Q. What I want to get at, on this question of method is, that this is the fifth method, where he takes our Exhibit 5-*a* and undertakes to make a distribution: and so every time you deal with the State's experts' method of calculation, as applied to each thing, there is a different method of calculating; isn't that true?

A. On each class of expense,—yes sir.

Q. If you take the revenue basis, you have a simple method and the uniform method, whether it is right or wrong?

6619 A. Yes sir.

The MASTER: Now, if I understand the effect of this, you are complaining of the expert witnesses for the State, for not adhering uni-

formly to the basis which they suggest of apportioning expenses to revenue?

Mr. HAGERMAN: I say that is proof almost conclusive in the way of argument, that it is not right.

The MASTER: I simply wish to see if I understand correctly.

As a basis of complaint you show that they have diverted from that basis, in four or five instances, in apportioning a part of the expenses to the revenue.

Mr. HAGERMAN: I undertake to say you can not take Mr. Ludlam's testimony, if he is right, and adopt a certain method. You have to take every item of terminal expense and say, "if that particular item divided on a ton mile, or a revenue, or a ton basis," because he says that where it is not affected by the haul it is to be divided upon a ton mile basis.

Now, if you take the revenue basis, all on earth you have to do is to take your percentage and apply it all along the line, and you have a fixed and uniform thing, from start to finish.

While that may not be conclusive, yet it is an argument almost unanswerable—especially when the Courts have always used it.

6620 KANSAS CITY, MO., *April 1st*, 1907.

Met, pursuant to adjournment as above, on Monday, April 1st, 1907, at ten o'clock in the forenoon of said day, in the Federal Building, Kansas City, Missouri.

Present: Hon. F. L. Schofield, Special Master. Mr. Frank Hagerman appeared in behalf of the Complainant. Attorney General R. S. Hadley and Mr. S. B. Ladd appeared in behalf of the Defendants.

The following proceedings were had:

Counsel for Defendants announcing that it would be impossible to proceed with the cross-examination of the witnesses Johnson and Roth without further opportunity to examine papers, etc., a recess was here taken until two o'clock, P. M.

After recess the following proceedings were had:

Cross-examination of F. P. JOHNSON.

By Mr. LADD:

Q. Mr. Johnson, I wish you would take Exhibit 19 offered by the State:

I will ask you if you have attended all the hearings in the three cases of the Missouri Pacific, the Wabash and the Burlington railroads?

A. No sir, not all of them.

Q. What were there that you have not attended?

A. I failed to attend the first hearing of the Burlington or any of the preliminary hearings in the Missouri Pacific cases.

6621 Q. You mean the hearing of the Burlington case in Chicago?

A. Yes sir.

Q. You attended all the hearings of the Wabash case in St. Louis?

A. I attended one week in the hearing in the Burlington case at Chicago, and all of the hearings in the Wabash case at St. Louis.

Q. Do you remember Exhibit 19, the exhibit which has been offered in this case by the State as Exhibit 19, and which was offered in the Wabash case?

A. I believe that practically the same figures were offered in the Wabash case.

Q. Do you remember what exhibit it was, No. 19 wasn't it?

A. I do not know.

Q. That was offered in the Wabash case before any of the hearings in the Missouri Pacific?

A. Yes sir, before any of the hearings in the Missouri Pacific.

Q. That was in December, or early in January?

A. I cannot say as to the date.

Q. Do you remember when the Missouri Pacific hearings began?

A. I believe they began sometime in January.

Q. My recollection is about the 10th of January.

A. It was about the middle of the month.

The MASTER: It was January 14th.

6622 Q. You remember that just after this Exhibit 19 in the Wabash case was offered you were furnished a copy of it by Mr. Minnis?

A. Yes sir, we were furnished a copy of it by you.

Q. The fact is, you have forgotten; but there was one offered in the Wabash case, and afterwards it was changed. I told you I would give you one of those, but Mr. Minnis spoke up and said he had given you one, and you said that was so and we need not take the trouble: do you remember that?

A. I thought Col. Clardy had asked you for the exhibit, and you were to give it to him, through me.

Q. Well, any way, you got it, soon after it was offered in the Wabash case, did you?

A. Yes sir.

Q. You heard the witnesses for the State testify how this Exhibit 19 was prepared, and the methods by which they got their information on which it is based, didn't you?

A. Yes sir.

Q. That they examined the records of the Missouri Pacific which your people turned over to them, and whenever it was necessary, the way-bills: that is right, isn't it?

A. Yes sir.

Q. And that they, in that manner, got the amount of revenue on every individual shipment: that is right, isn't it?

A. Yes sir.

Q. Since you got this exhibit, Mr. Johnson, have you or any of the people in your office gone over these records and way-
6623 bills as they did, for the purpose of ascertaining whether the figures shown in Exhibit 19 are correct or incorrect?

A. I cannot say as to whether they have checked the work up in detail or not. I know the matter has been looked up, that the statement has been examined, and some of the figures verified, but whether they have gone into it to the extent that it was done by the State, I cannot say.

Q. Do you know that this Exhibit 19, from the examination which you have made of the way-bills and records from which it is made, or which you have had made from the records and way-bills on which it is based, is incorrect in any particular?

A. We know that the results shown in Exhibit 19 do not agree with our records.

Q. What records?

A. With the figures shown in Exhibit 5-*c*. And we also know that the method of handling the live-stock of Kansas City has not been treated the same by both the State and railroad company.

Q. Are those the only reasons why you say Exhibit 19 is not correct?

A. Those are the only reasons I know of.

Q. You say Exhibit 19 is not correct because the live stock handled at the Kansas City stock yards has been treated in this Exhibit as interstate business?

A. I say it does not agree with our record to that extent, as shown by Exhibit 5-*c*.

Q. You say that it does not agree with your records to this extent: that the live stock handled at the Kansas City stock yards is
6624 treated in Exhibit 19 as interstate traffic, while in your records you treat it as state traffic?

A. That is one of the reasons.

Q. The other reason is, as I understand you, that it does not agree with any revenue from business, as shown by Exhibit 5-*c*: is that right?

A. Yes sir.

Q. Exhibit 5-*c* was taken by Mr. Taliafero from your books, wasn't it?

A. That is my understanding.

Q. He had it here at the time it was referred to, in pencil, didn't he, these figures?

A. Yes sir.

Q. And at Mr. Hagerman's request, he had it put in typewriting as it appears here, and it was offered in connection with his cross-examination as Exhibit 5-*c*: that is right, isn't it?

A. Yes sir.

Q. And these figures which appear in Exhibit 5-*c*, showing the amount received for state freight and interstate freight, in each month, and the total in each month—those figures were taken, as you understand it, right from your books: they were the result of any compilation, or from figures furnished by your people?

A. As I understand it, they were the abstracts made from our record.

Q. Those identical figures, Mr. Johnson, were the figures prepared by you or some of your people, weren't they?

6625 A. By some of our people.

Q. This purports to be a summary; these are total figures, and these total figures were prepared by your people, and copied off by Mr. Taliaferro; isn't that right?

A. That is my understanding.

Mr. HAGERMAN: Exhibit 5-*c* is a monthly detail of Exhibit 5-*c*, so far as the earnings are concerned, giving it by months:

Isn't that right, Mr. Johnson?

A. Yes sir.

Q. The totals correspond with Exhibit 5-*a*?

A. Yes sir.

Mr. LADD:

Q. You say—I want to be sure that I understand you—that Exhibit 19, so far as you know, may be correct, if it were not for the circumstances: that in that exhibit the business in and out of the Kansas City stockyards has been treated as interstate business, and that the footings for the month of October do not agree with Exhibit 5-*c:* is that right?

A. Well, the fact that the figures shown in Exhibit 19 do not agree with Exhibit 5-*c* is one reason why I believe that Exhibit 19 is not correct.

Q. Have you any other reasons?

A. I won't say that that is all of the reasons.

Q. What other reasons have you?

A. I haven't any. There may be others.

Q. I thought you said that so far as you know no one in your office has gone through these records, within the last three
6626 months, since Exhibit 19 came into your possession, or the way-bills upon which the records are based, to either verify or show the want of accuracy in Exhibit 19, so far as it purports to show the operations of the Missouri Pacific in the freight business in Missouri for the month of October 1905?

A. Not since Exhibit 19 came into our possession.

Q. There was offered in connection with your testimony last week, Exhibit 19-*b:* will you please turn to it?

A. I have it.

Q. You testified to the correctness of this Exhibit 19-*b* last week, when it was offered in connection with your testimony, didn't you?

A. Yes sir.

Q. In the early part of this Exhibit 19-*b* you say that Exhibit 5-*c* is a statement of the actual state and interstate earnings, exclusive of switching and demurrage, for each month of the year 1905. This statement is made for the purpose of showing that every figure found in Exhibit 19 for some reason or another must be incorrect: Now, you show by Exhibit 19-*b* that, according to Exhibit 5-*c*, the total freight earnings in the month of October, in Missouri, were $497,993.76?

A. Yes sir.

Q. Then you say that the total freight earnings in Missouri, for that month, according to Exhibit 19, are $508,542.46, don't you?

A. Yes sir.

Q. From which it appears that the total freight earnings for the month of October, as shown by Exhibit 19, were $10,548.70
6627 greater than those shown by Exhibit 5-*c*: Is that it?

A. Yes sir.

Q. You say also that Exhibit 19 shows interstate earnings for that month of $377,704.90, and Exhibit 5-*c* shows the interstate earnings to be $351,017.74?

A. Yes sir.

Q. Being a difference on the interstate earnings in favor of Exhibit 19 of $26,687.16: Is that right?

A. Yes sir.

Q. You also say that Exhibit 19 shows the state earnings for that month to be $130,837.56; and, according to Exhibit 15-*c*, the state earnings were $146,976.02; leaving a difference in favor of Exhibit 5-*c*, on the state earnings of $16,138.46: Is that right?

A. Yes sir.

Q. Now, Mr. Johnson, Exhibit 19-*b* shows the interstate earnings larger than Exhibit 5-*c*, doesn't it?

A. Exhibit 19 shows the interstate earnings to be larger than Exhibit 5-*c*.

Q. In Exhibit 19-*b*, did you call attention to the fact that in Exhibit 19 the business to and from the Kansas City stockyards had been treated as interstate business? Do you say anything about it in Exhibit 19-*b*, as a partial explanation?

A. No sir, I don't believe we have mentioned that at all in Exhibit 19-*b*.

Q. It is a fact that in Exhibit 5-*c* the business to and from the Kansas City stockyards is treated as state freight, isn't it?

6628 A. Yes sir.

Q. And you do not mention that difference in 19-*b* to account partly for the difference in the figures, do you?

A. No sir.

Q. That has been fully explained by Mr. Taliaferro or Mr. Ludlum in their testimony, before you offered this Exhibit 19-*b*?

A. That difference in the method of handling those figures had—yes sir.

Q. Hadn't it been fully explained by Mr. Ludlum in answer to questions put to him by Mr. Hagerman in cross-examination, that they had reached it as interstate business, and that accounted for that difference, to a certain extent; and that the stockyards business amounted to $10,423.35: I ask you if that had not been fully explained by Mr. Taliaferro?

A. I believe it had.

Q. But you did not refer to it in Exhibit 19-*b*?

A. No sir.

Q. Mr. Johnson, suppose you deducted the $10,423.35, revenue from the Live stock business, from the $377,704.90, being the total interstate revenue shown in Exhibit 19, would not the result be $367,281.55?

A. (After calculating.) Yes sir.

Q. The figures in Exhibit 5-*c* for the interstate earnings in the month of October are $351,017.74, aren't they?

A. Yes sir.

Q. Now, the difference between $351,017.74 and $367,281,55 is $16,263.81, isn't it?

A. Yes sir.

6629 Q. That is a difference that is -till left, isn't it?

A. Yes sir.

Q. I will ask you now if you did not hear Mr. Ludlum and Mr. Taliaferro testify that in the preparation of this Exhibit 19, and in the showing of the revenue from interstate freight, nothing had been deducted for bridge toll, transfer charges, and claims, because it would take so much time they couldn't possibly do it, and, therefore, this revenue included those things?

A. Yes sir.

Q. Did you say anything about this in this Exhibit 19-*b*?

A. No sir, I have not mentioned that at all in this exhibit.

Q. Now, I will ask you if the bridge tolls, transfers and claims which are included in the gross revenue from the interstate business, and which are not included in the revenue from interstate freight, as shown in Exhibit 5-*c*, would not amount to substantially that sum of $16,263.81?

A. I haven't any idea what that amounts to.

Q. If the actual amount—we cannot tell exactly what it was—but if the actual amount of the bridge tolls, transfers and claims, which are included in this gross amount, as shown in Exhibit 19, were taken out of that, do you think there would be any substantial difference between the figures of the two exhibits?

A. I would not like to answer that question with any degree of accuracy, because I would not be in a position to say; but it does not look to me as if it would amount to as much as that.

6630 Q. You say you have no idea how much the bridge tolls would amount to, on the average, per month?

A. No sir, I would not like to say, off-hand.

Q. Have you asked Mr. Roth?

A. No sir, I have not asked him.

Q. Would he know?

A. It is just possible, since he made that deduction from the original statement 5-*a*, it may be that he would understand and know.

Q. The state earnings as shown on Exhibit 19 for October are $130,837.56: That is right, isn't it?

A. Yes sir.

Q. If you add to that the stock yard's earnings $10,423.35, and if you take it away from the interstate earnings it must be added to the state earnings, you have a total of $141,260.91?

A. Yes sir.

Q. Now, what is the difference between that and the revenue shown in Exhibit 5-*c*?

A. $5,715.11.

Q. Do you regard that as a large variance?

A. That would make a difference of about four per cent on the month of October.

Q. Mr. Johnson, is it possible that the figures compiled and the examination made by the State's experts were more careful, and more accurate even, than those of your own force, and that their figures may be right and yours wrong?

6631 A. That is hardly possible, because our figures were considered right, as I understand it, and so testified to by the State's experts, with the exception of this live stock business, which appears to be a matter of opinion.

Q. But you have not undertaken to go through these records and waybills, the way the State's experts did, and take each shipment, shipment by shipment, getting the exact amount which was received on each shipment, adding them together, and in that way getting the total revenue, have you?

A. We did that for the entire two years.

Q. But you have not undertaken to do it since, have you?

A. No sir, not to my knowledge.

Q. Mr. Johnson, do you know how your people treated business which originated in the State and while on its way to another point in the state went out of the State? In compiling the earnings did they treat that as state or interstate business?

—. My understanding is that all such shipments as that were treated as interstate business.

Q. That is your understanding?

A. Yes sir.

Q. That was always done?

A. That was done for the purposes of this suit, yes sir, in compiling the figures for this suit. We have had no occasion to compile figures as between state and interstate business, with this exception.

Q. The two matters which you have referred to, in which you say Exhibit 19 is inaccurate, if it is inaccurate at all, were fully

6632 explained by Mr. Ludlam, weren't they?

A. Those two items which you mentioned, and which I mentioned, were fully explained by Mr. Ludlam—or one of the witnesses for the State. But I do not say those were the only two reasons why Exhibit 19 was inaccurate.

Q. What other reason is there?

A. The fact that the earnings, both state and interstate, in Exhibit 19 do not agree with Exhibit 5-*c*, is evidence that one or the other is incorrect.

Q. That is all. The two reasons which you have given, and the further reason that the figures do not agree with those on Exhibit 5-*c*: Is that it? Those are the only reasons you have?

A. Those are the reasons we have—yes.

Q. Mr. Johnson, if the items of bridge tolls, transfer charges, claims, and similar items made by the Company, had been deducted from the interstate earnings by Exhibit 19, the revenue per ton per mile realized from the interstate business would have been less than that shown by that exhibit, wouldn't it?

A. I don't understand that question.

Q. If the items of bridge tolls, transfer charges, and similar items

paid by the Company, which in Exhibit 19 have not been deducted from the interstate earnings, had been deducted from those earnings, the revenue per ton per mile on the interstate earnings would have been less than that shown by Exhibit 19, wouldn't it?

A. The revenue per ton per mile would have been less—

6633 yes.

Q. If the live stock business had been treated as state business instead of interstate, the revenue per ton per mile on the interstate business would have been still less, wouldn't it?

A. Yes sir.

Q. Will you please look at paragraph "*d*" of Exhibit 19-*b*, offered by you, and also at paragraph "*e*" everything contained in those two paragraphs, all the statements of those two paragraphs "*d*" and "*e*", are simply the result of these discrepancies and differences which you have already mentioned, aren't they?

A. They are the result of the difference between the two statements—yes sir.

Q. Which you have already mentioned?

A. Some of which we have called attention to.

Q. What has not been called attention to?

A. I would like to make myself clear there——

Q. Very well.

A. Those are two items that may not necessarily make Exhibit 19 wrong, as compared with Exhibit 5-*c*. There may be clerical errors to make additional mistakes.

Q. In either of them?

A. Yes sir, in either of them. But the fact is, Exhibit 5-*c* has been testified — here as being correct, by the State witnesses, as I understand it.

Q. I don't understand any such thing.

A. They have gone over those figures and verified them, and the statement was made that those figures were compiled as care-

6634 fully as they could have been compiled.

Q. I don't understand any such thing.

Mr. HAGERMAN: That is our idea of it.

A. That was my idea, in calling attention to the inaccuracy of the two statements. The live stock from the Kansas City stock yards is one item that would cause an error in the two statements; and if there is any great amount of bridge tolls not deducted in Exhibit 19, and deducted in Exhibit 5-*c*, that would cause another difference. There may be clerical errors in Exhibit 19 that would cause another difference.

Q. All the statements in paragraphs "*d*" and "*e*" follow naturally from those differences, don't they, that you have already mentioned?

A. Yes sir.

Q. You say in paragraph "*c*", Exhibit 19 as a whole is, therefore, $10,548.70 more than was actually earned, as shown by Exhibit 5-*c*, for the month of October, 1905. These interstate earnings, as shown by Exhibit 19, exceed those actually made, as shown by Exhibit 19, $26,687.16 for the month. The state earnings for the month, as

shown by Exhibit 19, are $16,138.46 more than the actual earnings for the month": When you prepared this, I would like to ask you, Mr. Johnson, if you did not know what the obvious explanation was of a very large proportion of those differences?

A. Why certainly, we knew that those differences that have been mentioned here would cause such a difference as that in the two statements, at the time this Exhibit 19-*b* was prepared.

6335 Q. But you did not choose to mention them?

A. It is a matter of record.

Q. You ignored the testimony, then?

A. We ignored that in compiling this statement—yes sir.

Q. You ignored testimony which you had not even disputed, didn't you?

A. Yes sir.

Q. Will you please take your Exhibit 36-*b*, which was offered last week, and also take Exhibit 14-*a* and Exhibit 15, offered by the Complainant: Now, in paragraph "*b*" of your Exhibit 36-*b*, you say: "An examination of the records of the transportation department show trains actually handled on the eastern division during the month of December, 1906, as follows: Through trains, 579": I wish you would tell me where those trains start from, and where they go to?

A. I would like to say, in connection with Exhibit 36-*b*, and I believe the testimony last week will show that, that this statement was compiled entirely by Mr. Roth, and he made the examination of this eastern division report. With that explanation, I will answer as far as possible in connection with this.

Q. You are unable to answer that question, for that reason?

A. I could not answer that question very well.

Q. Can you tell me where any of those 579 trains, of the 1334 way freight trains, started from, and where they landed? Your answer would be the same as that?

A. Yes sir, practically. Some of them, undoubtedly, would start from St. Louis.

6636 Q. You refer me to Mr. Roth for that, do you?

A. Yes sir.

Q. I will ask you another question, and see if you can answer that: On page 2, in paragraph "*c*" it is said that "the records in the transportation department show the average number of gross ton miles per train to be: through trains 49,243; local trains, 43,202;" Can you tell me what is meant by "gross ton miles" there?

A. On those same records of the transportation department, gross ton miles would mean power behind the engine; it includes the weight of the car; it includes the weight of everything in that train, except the engine.

Mr. HAGERMAN:

Q. That is, the weight of the cars, as well as the contents?

A. Yes sir.

Mr. LADD:

Q. Do you know how the net tonnage compares with the gross tonnage, on the average?

A. I think it will vary from fifty to sixty per cent.

Q. The net tonnage fifty to sixty per cent of the gross tonnage?

A. Yes sir, of the gross tonnage.

Q. That is, the weight of the freight is fifty to sixty per cent of the weight of the freight and all of the train back of the engine: is that it?

A. Yes sir.

The MASTER: There is quite a difference in the two propositions: if the freight is fifty to sixty per cent of the tare, which is all weight except freight, that is one proposition; but if of the 100 per
6637 cent the freight is 60 and the tare is 40, that is a different proposition.

Mr. LADD:

Q. What did you mean, Mr. Johnson?

A. I mean the gross tons would be 100 per cent.

Gen. HADLEY:

Q. That would include the train and the freight?

A. Yes sir. Now, out of that, my understanding is, the net tons will run fifty to sixty per cent of that one hundred per cent.

Mr. LADD:

Q. These figures I have just called your attention to, in Exhibit 36-*b*, as to gross ton miles, is that the result of your investigation, or Mr. Roth's?

Q. The entire statement is the result of his examination.

Mr. HAGERMAN: In his examination he said he took the figures as returned by Mr. Roth.

A. The examination was made and the figures drawn off by Mr. Roth, and before finally submitted we went over the results.

Q. According to your Exhibit 14-*a*, prepared by the Company, it appears that the average number of tons on each local train was 204; that is correct?

A. The average number of tons of all of those local trains mentioned was 204.

The MASTER: Let me see if I remember the history of this Exhibit 14-*a*; under the instructions of Mr. Doddridge, inspectors or messengers were sent out to accompany the trains and take actual memoranda from the conductors' way-bills and other matters that he had in his hands, and to observe the movement of the
6638 trains and different classes of freight carried for the days mentioned in this exhibit; that is right, isn't it?

Mr. LADD: That is my understanding.

Q. Since this Exhibit 14-*a* was offered, have you had any other trains examined, and men sent out with them to inventory the contents of the trains as they run along?

A. I believe the examination that was made at that time of the local trains also covered some through trains, as shown by Exhibit 15.

A. I am limiting it to local trains.

A. You ask if any other examination has been made?

Q. This examination was made on the days mentioned, wasn't it, December 17th to 21st, 1906?

A. Yes sir.

Q. Have there been since that time any other tests made of actual trains, local trains, moving over any part of your road, by men sent out for that purpose, to ascertain the total number of trains, and the average number of tons on each train?

A. No sir, not to my knowledge.

Q. This Exhibit 14-*a* also shows the percentage of state freight on those trains to have been 41 per cent, and the percentage of interstate freight to have been 59 per cent, in volume: that is right?

A. Yes sir.

Q. Have you, since that time, had any other tests made on any other local trains, on any other part of your road, to show any different state of facts?

6639 A. Not that I know of.

Q. Look at Exhibit 15, please, offered in evidence by the Complainant: I understand that the information contained in Exhibit 15 was gathered at Mr. Doddridge's suggestion, and in the same way as the information contained in Exhibit 14-*a*: That is correct, is it?

A. Yes sir.

Q. That shows the average number of tons in the through trains to have been 470, doesn't it?

A. Yes sir.

Q. I will ask you if you have had any other tests made of any through trains by men sent out for that purpose, since the dates mentioned in this Exhibit 15, to show a different state of facts?

A. Not that I know of.

Questions by Mr. LADD:

Q. Will you please look at your Exhibit 55: It is headed

6640 "The reasons why the proportionate part of the expenses chargeable to state freight should be determined upon a revenue and not upon a ton mile basis"; And the forst reason refers to some decisions of the courts.

Have you read those decisions?

A. Certain portions of them, yes.

Q. You say they have been actually adopted by the courts in these cases, do you?

A. I say this basis has been adopted by those courts in making their decisions in these cases.

Q. And you refer to the decisions in support of this statement which you have testified to, do you?

A. How is that?

Q. You refer to the decisions in support of that statement to which you refer, here in Exhibit 55?

A. Yes sir.

Q. Now, Mr. Johnson isn't this about it: that counsel for the railroad company prepared this exhibit, and you adopted it as your testimony: isn't that it?

A. I have not adopted it without an investigation of it—No sir.

Q. But it was prepared by counsel, wasn't it?

A. I believe the principal part of it was; at least the first part of it. But the balance was prepared from memoranda that were sent to him from the Auditor's office.

6641 Q. It is in the nature of an argument?

A. It appears to me to be so; the joint argument of the witnesses in this case.

Q. It is argument in advance of the belief. I think we will have to answer it later.

You give a number of reasons, and at the end of paragraph 2 you say: "The contention of Complainant is that the simple, certain uniform method is the revenue basis, and such is the method in general use."

Before I go to that, I wish to ask you a question in regard to this first paragraph, which refers to certain decisions of the Supreme Court and the Circuit Court. I would like to ask you if you have read all those cases carefully enough to be able to state whether there was presented to the Court, or whether there was any attempt in those cases to ascertain the cost and the revenue per ton mile?

A. No sir, I have not read all of the detail, enough to say whether any evidence along that line had been presented or not, but——

Q. Are you able to state whether the Court, in any of those cases, had before them the proposition that cost and revenue, as between state and interstate traffic, ought to be determined upon the ton mile basis, and rejected that proposition?

A. I won't say that, but I will say that statements have been introduced in these cases that would grant the Court all the information along that line, had he sought a ton mile basis.

6642 Q. What I asked you is, whether the proposition was submitted to the Court, that the true test, both as to earnings and cost, was the ton mile basis?

A. I have seen nothing of that kind in the decisions.

Q. So those decisions, so far as you know, did not reject the ton mile theory?

A. No sir, the decisions rejected nothing.

Q. Returning again to the closing sentence of paragraph 2 of your Exhibit 55, you say "The contention of Complainant is that the simple, certain uniform method is the revenue basis, and such is the method in general use": you state, do you, that that is the method in general use?

A. It has been the method in general use, in cases of this kind, and in a great many other cases, in general statistical work, in railroad offices.

Q. You have already stated that you attended all the Wabash hearings?

A. Yes sir.

Q. I will ask you now if you heard this testimony of Mr. Henry Miller, the General Manager of the Wabash Railroad Company, in the case brought by that company against the state officials, a case somewhat similar to this, which testimony was given in a hearing of that case in St. Louis, on December 20th.

"Q. When you speak of tonnage, do you mean tonnage or ton miles?

"A. Ton miles.

* * * * * * *

6643 "Q. That is the purpose in making the calculation of the rate per ton mile, both on revenue and cost, Mr. Miller? That involves great labor, doesn't it, making those calculations?

"A. Yes sir.

"Q. What is the purpose of it?

"A. To show the relative figures.

"Q. Between the different years?

"A. Between the different years, and to show the rate and the cost.

"Q. And the ton mile of the unit?

"A. Yes sir.

"Q. And that is the proper unit, isn't it?

"A. That is the unit that is generally used.

* * * * * * *

"Q. Mr. Miller, when you speak of one kind of business costing two or three times as much to handle as another kind of business, you mean, I take it, that it costs two or three times as much per ton mile?

"A. Yes sir.

* * * * * * *

"Q. Tell me, then, how the item of insurance amounting to fifty or sixty thousand dollars a year is affected?

"A. That is one of the items of expense taken into account in the operating expenses of the railroad, and in arriving at a ton mile cost you simply divide the tonnage into the total expenses.

* * * * * * *

I want to say in that connection that the freight train mile
6644 unit is not used. The ton mile is the unit. We pay no attention to the freight train mile cost. It goes up and down and we pay no attention to it.

* * * * * * *

"By Mr. MINNIS:

"Q. How have you arrived at the cost per ton mile?

"A. Just as I explained there. We do not use the ton mile unit in our comparisons, because it does not represent the modern unit, either in comparing or in our statistics. For instance, in this comparison made here (indicating blue print) the train mile cost is one thing. It may show that on a division, or on a railroad, the train mile cost is comparatively low. The ton mile cost, which is the

method used generally, and the one recognized by the Interstate Commerce Commission, may be a very different figure.

* * * * * * *

"Q. You have said that the cost per train mile is the method which has been abandoned: what method has taken its place?

"A. The cost per 100 tons one mile.

"Q. Has that method been accepted generally by the railroads?

"A. Yes sir.

"Q. State whether or not in your judgment it is a method which gives a fairly accurate result?

"A. For comparative purposes, it is the best there is at present.

* * * * * * *

6645 "The MASTER:

"Q. That system, then would be in the direction of putting a premium on light trains?

"A. Yes sir. That is the reason it was discontinued as a unit of determining the cost of transportation and handling freight. The best showing could be made by running the trains light, on a train mile basis. But that is not true on a ton mile basis. You get down to "brack tacks" on the ton mile.

"Q. You get down to the actual conditions on the ton mile?

"A. Yes sir."

Q. Did you hear that testimony, Mr. Johnson?

Mr. HAGERMAN: This is objected to as calling for hearsay testimony, and as being immaterial.

The objection is over-ruled.

A. Yes sir.

Q. Do you still say, as in this Exhibit 55, that the revenue basis is the method in general use.

A. It is the method in general use for a purpose of this kind. I want to say this: I never knew of a railroad company, certainly not the Missouri Pacific, ever making any comparison of revenue per ton per mile with its cost per ton per mile.

Q. You never had any occasion to, I suppose?

A. If it is the unit generally adopted by all railroads, it is the comparison they would make.

Q. Mr. Miller says it is.

Mr. HAGERMAN: That is objected to. Mr. Miller does not
6646 say it is. He says "simply for the purpose of comparison."
You cannot single out a part of a witness' testimony, and use it as it is used in this question.

Mr. LADD: Mr. Miller's testimony has been read, and will speak for itself.

Questions by Mr. HADLEY:

Q. Do you agree with what Mr. Miller says there, Mr. Johnson?

A. No sir, I do not.

Q. You think it is not the best basis for comparison?

A. It may be the best basis for comparison on the statement he

was handling at the time he was giving that testimony, which was their operating statement.

Q. It was their operating statement applied to this case?

A. No sir. It was a statement that compares with our Forms 1940 and 1941, think, but I may be mistaken on that.

Q. You have never had occasion, in keeping your accounts, to divide your earnings between state and interstate business?

A. Never.

Q. When you come to a statement of this kind, you have to adopt a certain theory for the purposes of apportioning these expenses?

A. Yes sir.

Q. Mr. Miller has adopted the theory of apportioning it on the basis of ton miles, hasn't he, according to your understanding of the testimony?

6647 Mr. HAGERMAN: That is objected to. The witness' understanding is wholly immaterial.

The MASTER: That is clearly incompetent.

Mr. HADLEY:

Q. You have adopted the theory of dividing it on the proportion of revenue?

A. Yes sir.

Q. Are you understood as subscribing to that theory, personally?

A. That is my personal opinion, that that is the best basis we could have adopted for this purpose.

Q. Have you read any decisions in regard to the accuracy or inaccuracy of that theory, recently?

A. Not recently.

Q. You have already stated that the question of whether the revenue ton mile is the best theory has not been referred to in any of these cases mentioned by counsel in Exhibit 55?

A. That a comparison of those two methods has not been made?

Q. Yes.

A. That is my understanding.

Q. Have you read the recent decision of the Board of Railroad & Warehouse Commissioners in the state of Kentucky, on the ton mile theory of dividing expenses, and revenue theory of dividing expenses?

A. No sir.

Q. Are you familiar with the fact that such a decision was rendered and attracted a good deal of attention in railroad circles?

6648 A. I have heard of the Kentucky decision.

Q. Are you familiar with the controversy that has been had in the course of the last year before the Wisconsin Board of Railroad Commissioners, and as to the method of determining expenses that has been agreed upon by both the railroad company and the State?

A. Not enough to discuss it. I have heard of it.

Q. Do you know it to be a fact that both parties to that controversy have agreed to the ton mile basis?

A. I believe they did, but I am not sure of that.

Q. Isn't it a fact that in your recent investigations that you are familiar with, the ton mile theory has been adopted by both the railroads and the State wherein the question of apportionment of expenses has been the question at issue?

A. By agreement between the railroad companies and the State.

Q. You do not imagine the railroad companies adopted that simply out of a spirit of philanthropy, do you?

A. I have not any idea what their reasons would be for adopting it.

Q. Name some other state in which this controversy has been conducted, besides those I have mentioned; maybe your information is broader than mine.

A. For a division of expenses on the ton mile basis?

Q. Yes.

A. I know of no other states, and none through which we run.

Q. But all the states of which you do know, in which this
6649 controversy has occur-ed, have adopted the ton mile basis?

A. All I know of is the State of Wisconsin.

Q. I understood you to say you knew about the state of Minnesota?

A. I said I had heard of it.

—. Please look at Exhibit 29-*a*: what is the object of that exhibit?

A. The purpose of this exhibit is to endeavor to apply the various averages shown on Exhibits 28 and 29, to see how far they will come from making the actual expense reported as the expense of the state of Missouri.

Q. How do you do that?

A. Paragraph "*d*" explains the method by which we arrived at it.

Q. Paragraph "*d*," "Interstate freight earnings, $3,777,309.45:" Now, are those the interstate freight earnings, as shown in your Exhibit 5-*a*?

A. Yes sir, as shown by Exhibit 5-*a*.

Q. Where did you get your 80.99 per cent, which is shown on the same line?

A. That is taken from the figures shown in Exhibit 19, repeated in your Exhibits 30 and 31. It is the first assumption used in your Exhibits 30 and 31.

Q. 80.99 per cent of the interstate freight was derived from carload, and 19.01 from less than carload business: is that right?

A. Yes sir.

Q. Now, you divide these earnings by the revenue per ton, respectively, as shown by Exhibit 19: is that right?

A. We divide that by the revenue received per ton.

6650 Q. And you arrive at a certain number of tons of carload, and a certain number of tons of less than carload freight, and 4,595,305 tons of interstate freight of both classes: that is for the year, is it?

A. That is for the year, yes sir.

Q. For the year 1905?

A. Yes sir.

Q. Then you multiply that by the cost per ton, as shown by our Exhibit 28; and you treat the state freight the same way, don't you?

A. Yes sir.

Q. Then, in paragraph "*d*" on page 2, you reach, by that method, the total expenses, at single cost, as $3,374,271.69: at double cost, $3,392,766.08; at triple cost $3,408,186.04.

According to your Exhibit 5-2, your total freight expenses were $4,203,320.24.

And you say that according to this calculation the expenses are far less than the actual expenses: that is right, isn't it?

A. Yes sir.

Q. Now, look at your paragraph "*d*" on page 1: you have single cost at 57 cents and a fraction: that is right, isn't it?

A. Single cost 57.946 cents.

Q. That is the cost per ton, arrived at in that way, of all the freight, both revenue and company freight, isn't it?

A. Yes sir.

6651 Q. What was the cost per ton, as testified to by Mr. Ludlam, of the revenue freight?

A. I don't remember his giving any testimony as to that cost.

Q. Wasn't it 66¼ cents?

A. I don't remember.

Q. 66¼; didn't he testify that, in answer to a question of Mr. Hagerman?

A. I do not remember his testifying as to that.

Q. Let me see if I can refresh your recollection. Mr. Hagerman said: "Look at Exhibit 28, starting with the basis you did in the preparation of Exhibit 25, and following out the assumptions contained in that, the result is 57.946 cents for the cost per ton: is that right?

"A. Of the interstate freight, yes.

"Q. I wish you would add to that this 11 per cent due to having taken into consideration the company freight, and see what the 57.946 would become?

"A. It would become 64.384 cents."

Do you remember that?

A. I do not remember that.

Q. If that is true, wouldn't it have been right to have taken as your single cost 64.384 instead of 57.946?

A. No sir; if the 66 cents is the actual cost of handling the revenue freight, then your 57 cents is not right. If the 57 cents is right here (indicating Exhibit 29-*a*) then the 66 cents is not right as the cost of handling the revenue freight.

Q. At all events, you do not take into account that testi-

6652 money of Mr. Ludlam's at all, in the preparation of this exhibit?

A. No sir, I have no recollection of his being asked that question; I had forgotten it altogether.

The MASTER: He takes the single cost, 57.946 cents, from Exhibit 28:

Mr. HAGERMAN: Just exactly as he gave it in Exhibit 28; and the purpose of this Exhibit 28-*a* is to show there is a deficit unaccounted for on the basis on which he prepared Exhibit 28-*a*.

Mr. LADD:

Q. You know our Exhibits 28 and 29 were based on Forms 1940 and 1941, Exhibits 26 and 27?

A. Yes sir.

Q. You knew our Exhibits 28 and 29, which you refer to, were based on those, and followed them?

A. Yes sir.

Q. And the figures in those Forms 1940 and 1941 included company material: isn't that right?

A. Yes sir.

Q. In trying to get at the cost and expense of revenue freight, do you think it is fair to include company material, as you have done here, and you have done it in using the figures 57.946, haven't you?

A. That will include company material, the 57.946 cents.

Q. In paragraph "*d*" of Exhibit 29-*a*, you multiply the 57.946 cents by the number of revenue tons, don't you?

A. Yes sir.

Q. And that produces the figures $2,662,795.43: Is that right.

A. Yes sir.

6653 Q. Whereas, if you had multiplied the number of tons by 64.384 cents, instead of 57.946 cents, your figures $2,662,795.45 would have been very much larger, wouldn't they?

A. Yes sir.

Q. Isn't it fair to multiply the number of tons of revenue freight by the cost of moving the revenue freight, instead of by the average cost of moving all the freight, including company freight?

A. Yes sir, if would come nearer to giving the exact figures, if we had taken that revenue freight.

Mr. LADD: I take it, that was an oversight.

Mr. HAGERMAN: We would still be "shy" over $600,000, even on that theory.

Mr. LADD:

Q. Do you know what difference that would make, Mr. Johnson?

A. No sir.

Q. It would not be in excess of ten per cent.

Mr. LADD: I know if there is any error there you will be glad to correct.

I want to read you from Mr. Ludlam's testimony.

"Q. Are the figures shown in Exhibits 29 and 3) based on the Company's figures in Exhibits 26 and 27?

"A. I think you mean the figures shown in Exhibits 28 and 29.

"Q. Perhaps I do.

"A. In the first column of Exhibit 28 the cost per ton is shown to be 57.946 cents.

"Q. What I ask you now is, are the figures shown in Ex-
6654 hibits 28 and 29 based on the figures shown in Exhibits 26 and 27, the latter being the Analysis of Superintendents' Operations, Forms 1940 and 1941?

"A. Yes sir.

"Q. Do those figures in those two exhibits Nos. 26 and 27, include the Company tonnage?

"A. Yes sir.

"Q. While the 66¼ cents arrived at in your cross-examination is based on revenue tonnage: is that right?

"A. Yes sir.

"Q. Suppose the figures in Exhibits 28 and 29 were based on revenie freight alone, how much would be increase of cost per ton, both state and interstate, be—what per cent?

"A. About 11 per cent.

"Q. Why?

"A. The Company freight ton miles is shown by the annual report of the President for the year ending June 30, 1903, to amount to about ten per cent of the total ton miles, and ten per cent of the total ton miles would be about eleven per cent of the revenue ton miles.

"Q. And the cost of the 11 per cent, if it was added to the cost shown in your Exhibits 28 and 29, would pertain equally to state and interstate freight, wouldn't it?

"A. Yes sir.

"Q. Som the relative proportion between the cost of state and interstate freight, as shown by Exhibits 28 and 29, would not be changed, would it?

6655 "A. No sir. And I might say here, that the only purpose of these Exhibits 28 and 29 was to show the relative cost of the two classes of freight per ton in the State of Missouri.

"Q. Look at Exhibit 28, starting with the basis which you did in the preparation of Exhibit 28, and following out the assumption contained in that, the result is 57.946 cents average cost per ton: is that right?

"A. Of the interstate freight, yes.

"Q. Now, I wish you would add to that this eleven per cent due to having taken into consideration the Company freight, and see what that 57.946 would become?

"A. It would become 64.383 cents.

"Mr. HAGERMAN:

"Q. The result of that would change every figure you have there, wouldn't it?

"A. No sir, it will not change any figure except the total cost per ton, as shown by those two exhibits.

"Q. Is that the item 'Total cost per ton' single cost, that you are dealing with noe?

"A. Yes sir.

"Mr. LADD:

"Q. Look at Exhibit 29 for the state freight, and you have the

figures 37.745 cents: Add your 11 per cent to that, and what does it become?

"A. 41.939 cents."

Now, leaving that, for a moment, Mr. Johnson, look at page 2 of Exhibit 29-*a*, about two-thirds of the way down in paragraph "*d*," and you have used as the cost of the state freight 37.745 cents per ton, haven't you?

6656 A. 37.745 cents.

Q. Then the examination proceeded as follows:

"Q. Look at Exhibit 29 for the state freight, and you have the figures 37.745 cents: Add your 11 per cent to that, and what does that become?

"A. 41.939 cents."

Now, when you are dealing with the cost of revenue freight, wouldn't it be right, if you want to get the total cost of the revenue freight, if you know the cost per ton of the revenue freight, to take that cost and multiply it by the number of tons? Wouldn't that be a great deal nearer right?

A. That would come a little nearer to it than this exhibit.

Q. I will read further from Mr. Ludlam's testimony, as follows:

"Q. So you have this result: 64 cents and a fraction for interstate, and 41 cents and a fraction for state, as against 66¼ for the whole: is that right?

"A. Yes sir.

"Mr. HAGERMAN:

"Q. Then, if I understand you, Exhibits 28 and 29 are gotten up so that whatever is shown there includes company freight as well as revenue freight?

"A. They were gotten up on the company's figures, which do include company freight.

"Q. There is nothing of that sort appearing on the exhibit.

6657 "A. The first item on the exhibit would indicate that.

* * * * * * *

"Q. Assuming that the cost of the interstate freight is 64.383 cents, according to these figures, look at your Exhibit 19 and tell me the revenue per ton for interstate freight.

"Q. It is shown by column 5 of Exhibit 19 to have been 82.2 cents per ton.

"Q. Those on gross earnings?

"A. Yes sir.

"Q. If the cost was 64.383 cents, what percentage is that of the earnings?

"A. 78.35 per cent.

"Q. What were the interstate earnings in Missouri, as shown by page 3 of Complainant's Exhibit 5?

"A. $3,777,390.45.

"Q. What is 78.35 per cent of that?

"A. $2,958,829.94.

"Q. On that theory, those would be the interstate expenses?

"A. Yes sir.

"Q. By Exhibit 19, what is the revenue per ton of state freight?

"A. It is shown by column 5 of Exhibit 19 to have been 86.63 cents per ton.

"Q. Assuming that the cost per ton on the state freight is 41.939 cents, as you did a few moments ago, what percentage is that of the earnings?

6658 "A. 48.42 per cent.

"Q. What were the state earnings in Missouri, as shown by page 3 of Exhibit 5?

"A. $1,632,858.14.

"Q. Apply the percentage of expense, 48.42, to that, and what does it make?

"A. $790,628.94.

"Q. What do you have for state expenses?

"A. $790,628.94.

"Q. And what do you have for interstate expenses?

"A. $2,958,829.94.

"Q. Add them together, and what would that amount to?

"A. $3,749,458.88.

"Q. Add to that $480,000, we will say, an assumed overcharge to Missouri on account of the Kansas City terminal expenses, and what does that amount to?

"A. If you add $480,000 to the expenses arrived at as above, of $3,749,458.88, it would make a total of $4,229,458.88."

The MASTER: I don't know that I quite understand the necessity of reading page after page of the testimony of another witness to this witness.

Mr. LADD: If I may read just one more, I will stop.

The MASTER: You may read two more, if you will stop then.

Mr. LADD (reading from record):

"Q. And what is the difference?

6659 "A. $26,138.64."

Redirect examination.

By Mr. HAGERMAN:

Q. You gave an estimate now that the gross tons mentioned in Exhibit 36-*b*, paragraph "*c*"—that the gross tonnage of the freight was from 50 to 60 per cent of the total tonnage. You heard what Mr. Roth said that his estimate of 50 to 60 per cent was based upon the per cent of loaded cars?

A. Yes sir.

Q. Was yours in the same way, or were you giving an estimate independent of that, as of the whole train?

A. In giving my estimate, I was giving an estimate of the tonnage in the train as compared with the entire train.

I would like to say that in making the estimate of 50 to 60 per cent, it must be based on the general average.

Q. But in making the range of 50 to 60, you took into consideration and allowed for the empty cars, which Mr. Roth did not?

A. Yes sir, and allowed for any empty equipment. I would like to say that any unusual movement of empty equipment would change that average, and so it is just an estimate.

6660 HUBERT ROTH testified in behalf of the Complainants as follows, to-wit:

Direct examination.

By Mr. FRANK HAGERMAN:

Q. You, with myself and Mr. Johnson, have gone through these records and papers, with the result that you and Mr. Johnson have gotten up these statements, with such assistance as I could render you?

A. Yes sir.

Q. You have heard Mr. Johnson's testimony here?

A. Yes sir.

Q. And are these statements that he has produced correct or not correct?

A. They are correct.

Q. Referring to Exhibit 36-*b*, Mr. Johnson said he took your statement as the basis of his assumption therein as to the number of trains you made that tabulation?

A. I made that tabulation.

Q. That was a tabulation you made, and you submitted your figures on that to him?

A. Yes sir.

Mr. HAGERMAN: That is all I wish to ask Mr. Roth.

The MASTER: Have you any questions to ask Mr. Roth, Mr. Ladd?

Mr. LADD: No sir, I doubt if I shall want to ask Mr. Roth any questions except as to this Exhibit 36-*b*.

KANSAS CITY, Mo., *April 2nd*, 1907.

Met, pursuant to adjournment as above, on Tuesday, April 2, 1907, at 9.30 A. M. in the Federal Building, in Kansas City, Missouri.

6661 Present: Hon. F. L. Schofield, Special Master.

Mr. Frank Hagerman appeared in behalf of the Complainant.

Assistant Attorney General John Kennish, and Mr. S. L. Ladd, appeared in behalf of the Defendants.

The following proceedings were had.

Cross-examination of H. ROTH.

By Mr. LADD:

Q. Will you please take Exhibit 19-*b*, Exhibit 5-*c* and Exhibit 19: Mr. Johnson was asked yesterday about bridge tolls, and stated that they were not included in the revenue from interstate freight for the month of October, 1905, as shown by Exhibit 5-*c*?

A. No sir, they were deducted from those figures.

Q. What is meant by "bridge tolls," in that connection?

A. Those are the charges paid by us for transferring across various bridges. For instance, at Memphis, St. Louis and St. Joe.

Q. I speak particularly now about Missouri: I want to leave out Memphis.

In this case, what is meant by "bridge tolls"?

A. That is what I am telling you. It is the amounts we have paid out to the bridges I have mentioned.

Q. On Missouri freight?

A. On Missouri freight.

6662 Q. Coming from the East, or going east, over those bridges?

A. Or going to St. Joe, Mo.

Q. What would those amount to, in the month of October, 1905?

A. I could not tell you the exact amount.

Q. You have not figured it out?

A. No sir.

Q. Can you make an estimate?

A. I would say about $20,000; probably a little less than that. I would not think it was quite that much.

Q. What would be the amount of bridge tolls, if you can make an estimate, which was deducted from Exhibit 5-*c*, as shown by Exhibit 5-*c*, and which were not deducted by our experts in their preparation of the work of October, 1905, as you understand that work was done?

A. You mean bridge tolls only, or all deductions?

Q. Bridge tolls only.

A. The bridge tolls I should think amounted to about eleven or twelve thousand dollars.

Q. Is that on the east-bound business only?

A. Practically all. Well, there is some business moving west of our lines.

Q. What I want to ask is, would your estimate of $12,000 include the bridge tolls on the west-bound business?

A. That is mostly deducted from the way-bills themselves.

6663 That shows on the face of the way-bills.

Q. Where it was not deducted, is it included? It is not always deducted, is it?

A. No sir. Including that, it would be probably about $4,000.

Mr. HAGERMAN: You say here "Bridge tolls $20,000"; and then in another place, "Bridge tolls, $12,000."

Mr. LADD: He takes in some we do not.

The WITNESS: Memphis, and St. Joe.

Mr. HAGERMAN:

Q. Does it pertain to Missouri business?

A. Yes sir. Mr. Ladd asked me what all the bridge tolls were, and I said about $20,000. Then he asked me what were the bridge tolls that were deducted separately. There is a certain amount that is shown on the face of the way-bills, and a certain amount that is

not. Most of the west-bound freight over the St. Joe bridge is deducted on the face of the way-bills, and the east-bound freight is not. And also the west-bound freight beyond our own lines is not.

Mr. LADD:

Q. There is about $14,000 which the State's experts did not deduct, which has been deducted in the October showing, as appears by Exhibit 5-*c*: that is right?

A. On account of that particular item. There was a whole lot that was deducted. That was by no means the only deduction.

Mr. LADD: I am speaking particularly about bridge tolls, because they say they did not deduct bridge tolls.

Q. Now, Mr. Roth, if you will take Exhibit 36-*b*, you will observe that in paragraph "*b*" of that exhibit you say that the trans-
6664 portation records of your company show the trains handled on the eastern division during the month of September, 1906, to be—the number stated in that exhibit.

I will ask you now what constitutes the "Easttern Division"?

A. The Eastern Division constitutes the track between St. Louis and Kansas City, the main line and the River Division.

Mr. HAGERMAN:

Q. That is, all the lines between St. Louis and Kansas City?

A. Also the Bagnell Branch, the Versailles Branch, the Warsaw Branch and the Lexington Branch.

Mr. LADD:

Q. You have mentioned everything now that is included in the Eastern Division, have you?

A. Practically everything, I think.

Q. Be sure you get everything. I don't know what it is myself.

Mr. HAGERMAN: As I understand, it includes everything, the main line from Kansas City to St. Louis, and all the branches, except the Joplin Branch.

Mr. LADD: I am asking the witness about it.

A. In this paragraph "*b*" of Exhibit 36-*b*, it refers to the Eastern Division, and the St. Louis Terminal Division: are you including the St. Louis Terminal Division?

Q. This paragraph "*b*" says, "An examination of the records of the transportation department shows trains actually handled on the Eastern Division, during the month of December, 1906, as follows:" My question is, what is the "Eastern Div*k*sion?

6665 A. All track between Kansas City and St. Louis, main line and branches.

Q. What are the branches? What do you include in the main line between St. Louis and Kansas City——

A. All the branches.

Q. Wait a moment. In the main line between St. Louis and Kansas City, you include what has been called the "Low Line"?

A. Yes sir.

Q. And the line that runs through Sedalia?
A. Yes sir.
Q. What are the branches?
A. There is the Carondelet Branch, to start with.
Q. Well, what else?
A. The Creve Cœur Lake Branch.
Q. What else?
A. The Kirkwood Branch.
Q. What else?
A. The Bagnell Branch.
Q. What else?
A. Versailles Branch.
Q. What else?
A. The Warsaw Branch.
Q. Anything else?
A. The Lexington Branch.
Q. What else?
A. That is practically all.
6666 Q. You say "practically all": Is it all?
A. Yes sir, that is all.
Q. Those you say are all in the Eastern Division?
A. The Eastern and Terminal divisions.
Q. I am asking you about the Eastern Division: which of those you have enumerated here are in the Terminal Division?
A. Oak Hill.
Q. You have not mentioned that, or if you did I did not hear you.
Q. You didn't hear it.

The MASTER: Is that the same as the Carondelet Branch?

A. Yes sir.

Mr. LADD:

Q. The Carondelet Branch I got: is that in the Terminal Division?
A. Yes sir.
Q. What else?
A. Creve Cœur Lake.
Q. What else?
A. The Kirkwood Branch.
Q. Anything else?
A. No sir.
Q. When you say there are so many through trains, and so many way freight trains in the Eastern Division, do you mean to include in the Eastern Division the Carondelet Branch, the Creve Cœur Branch, and the Kirkwood Branch, which are in the St. Louis Terminal Division?
A. Yes sir.
6667 Q. Can you tell me how many trains there are in the Eastern Division, leaving out the St. Louis Terminal Division?

A. These trains I have given here are all in the Eastern Division. Our statistics include the Terminal Division trains.

Q. Your statistics for the trains in the Eastern Division include the trains in the Terminal Division: is that right?

A. Yes sir.

Q. How long is that Carondelet Branch: Where does it run to and from?

A. It runs from St. Louis to Carondelet.

Q. How long is it?

A. Eleven miles.

Q. How long is the Creve Cœur Lake Branch?

A. About twelve miles.

Q. How long is the Kirkwood Branch?

A. Twelve miles.

Q. This statement says there are 579 through trains in the month of December on the Eastern Division: where do those trains start, and where do they run? You have practically the same number each day?

A. Practically, yes.

Q. Take one day, then.

A. It is impossible to tell where 579 trains run every day.

Q. The 579 are scattered over a month, aren't they?

A. Over a month, I should say.

6668 Q. I say, take it daily.

A. Most of the through trains run between St. Louis and Kansas City and beyond.

Q. You say there are 579 through trains: how many would that be a day?

A. (After calculating.) About twenty-four.

Q. How many days do you count in the month?

A. These are through trains—Excuse me, I was thinking of local trains. (After calculating.) About eighteen.

Q. About eighteen a day?

A. Yes sir.

Q. I wish you would tell me where those eighteen trains start from and where they run to?

A. They start chiefly from St. Louis; from St. Louis to Kansas City, and Kansas City to St. Louis.

Q. Mr. Roth, I fancy this statement has been prepared with considerable care. I wish you would give me the details of it.

A. I have no details of it.

Q. Where did you get the figures?

A. These figures are simply taken from our regular transportation statistics. They ought to show that the State's assumption of two local trains a day, covering the whole Eastern Division, is not correct, and are intended for no other purpose. If your experts desired to verify these figures, they could have done so last week when they were in St. Louis.

6669 Q. Never mind about that. I am asking you where those eighteen daily trains start from, and where they go, if you can state?

A. Generally, from Kansas City to St. Louis; maybe from St. Louis to Sedalia.

Q. Can you tell where they start from and where they go to?

A. Not now I cannot.

Q. You have not the information?

A. No sir, I have not the information.

Q. Suppose a through train starts from St. Louis and goes to Kansas City, how many trains do you call that?

A. I call that one through train.

Q. That is one of your eighteen: is that right?

A. I presume that is right.

Q. You do not call it one train to Jefferson City; another train from Jefferson City to Sedalia; and another train from Sedalia to Kansas City?

A. Not where it has the same number.

Q. Suppose it did not have the same number: would you call it three trains?

A. No sir, then I would not.

Q. Now, you say, in the same connection, there are 353 local trains. The way this is written I don't know whether you intend to treat the local as a way-freight train or not: do you?

A. Yes sir.

6670 Q. The locals, ordinary freight, mixed freight and passenger, are all bracketed opposite "Way freight trains": is that right?

A. Yes sir, that is right.

Q. And you call those way freight trains?

A. Yes sir, if they all do that class of business.

Q. Where do those locals run?

A. They run from one division point to another; for instance, from St. Louis to Jefferson City.

Q. Are those on the main line?

A. Some are on the main line, and some are on the branches.

Q. What is an "ordinary freight train"?

A. An ordinary freight train is usually carload freight, doing business at way stations.

Q. Where do those ordinary freight trains run?

A. Also between division points.

Q. Mr. Roth, don't you call a train which runs from St. Louis to Jefferson City, loaded with carload freight, a through train?

A. Yes sir.

Q. You do?

A. Yes sir.

Q. You call that a through train?

A. If it does not stop between St. Louis and Kansas City, I call it a through train.

Q. I am talking about Jefferson City.

A. If it does not stop between St. Louis and Jefferson City, I call it a through train.

6671 Q. Do you call a train of carload freight between Jefferson City and Sedalia a through train?

A. Yes sir.

Q. Through trains, as recorded here, do not necessarily run from St. Louis to Kansas City?

A. No sir.

Q. Aren't some of your through trains, which you call "through trains," which run between St. Louis and Kansas City—don't they count sometimes as two or three trains?

A. I don't think so, sir.

Q. You don't think so?

A. No sir.

Q. You had 773 ordinary freight trains: can you tell where they started from, or where they run to?

A. No sir, I cannot tell that.

Q. I will read from your book entitled "Missouri Pacific Railway Company's Instructions Governing the Movement of Freight": you have seen this book and are familiar with it?

A. Yes sir.

Q. "Ordinary freight will consist of all commodities in carloads, not specified as Red Ball or Green Ball"?

A. Yes sir.

Q. Are those instructions follows?

A. There it is possible, I assume they follow them.

Q. When you speak of ordinary freight in this Exhibit 36-*b*, you mean a train which consists of carload lots, do you?

A. Yes sir.

6672 Q. Do you mean that such a train as that would distribute the freight, and take it up at intermediate stations, if it was in carload lots?

A. Undoubtedly. That is the chief business they do.

Q. Would an "ordinary freight train," within the meaning of that expression as you have used it in this exhibit, ever be loaded at St. Louis and go through to Kansas City without any change in its composition?

A. No sir.

Q. It would not?

A. No sir.

The MASTER:

Q. The term "ordinary freight, as used in this Exhibit, means freight trains loaded exclusively with carload lots, other than Green Ball or Red Ball trains: is that correct?

A. Yes sir, that is correct. It means way freight carload trains.

Mr. HAGERMAN: As distinguished from through?

The MASTER:

Q. It may mean ordinary freight out from St. Louis?

A. I don't think we have any ordinary freight through from St. Louis to Kansas City.

Mr. LADD:

Q. Do those ordinary freight trains run on branch lines?

A. I don't think so. Unless you call the Low Lines a branch line.

Q. You don't call that a branch line, do you?

6673 A. No sir. Also the Lexington Branch. That is hardly considered a branch line.

Q. You have here "mixed freight and passenger trains:" what lines do they run on?

A. They run on the Bagnell Branch, Versailles Branch, and the Warsaw Branch.

Q. There are no ordinary freight trains run on these branches.

A. No sir.

Q. And no through trains?

A. No sir.

Q. There are no through trains run on any of the branches, are there?

A. No sir.

Q. No through trains run on any of the branches?

A. No sir.

Q. So that on the branches, the local trains and the mixed freight and passenger trains—that is, these are included in the 363 locals, and the 208 mixed freight and passenger, and they do all the freight business of those branches, don't they, both state and interstate, carload and less than carload?

A. Undoubtedly.

Q. Mr. Roth, what kind of trains run on the Carondelet Branch, the Creve Cœur Lake Branch, and the Kirkwood Branch?

A. Local freight trains.

Q. Any mixed freight and passenger trains?

A. No sir.

6674 Q. How many trains a day are there on the Carondelet Branch, of that kind, each day?

A. One or two, I believe. There is one scheduled train, but there may be several extra trains.

Q. That runs from St. Louis — Carondelet, does it?

A. Yes sir.

Q. Are there any stations between St. Louis and Carondelet?

A. There are a whole lot of industries.

Q. Industries?

A. Yes sir.

Q. Where you deliver freight?

A. Where we collect freight.

Q. That business is practically switching: that is in the Terminal Division, isn't it?

A. No sir, that is revenue freight—all of it.

Q. You run regular trains on schedule time, from St. Louis to Carondelet?

A. Yes sir.

Q. How many?

A. One a day.

Q. How much freight do they carry?

A. A considerable amount. I cannot tell you the exact tonnage they carry.

Q. How many cars, on an average, do those trains carry?

A. I have no idea.

6675 Q. Five?

A. More than that, I should think.

Q. What?

A. I should think considerably more than that.

Q. Both ways?

A. Yes sir, both ways.

Q. Each way, one train a day, and the entire length of the road is eleven miles?

A. The entire length of the road is eleven miles.

Q. Take the Creve Cœur Branch. Is there a town there—I have never been out there?

A. Yes sir.

Q. That is twelve miles long?

A. Yes sir.

Q. How many regular local trains do you run on that road?

A. There is one each way, I believe.

Q. How long are those trains—how many cars?

A. Oh, they might run fifteen or twenty cars, at times.

Q. How do they run, on an average?

A. I couldn't tell you that. There is a very large volume of business that moves on that track.

Q. And it is twelve miles long?

A. Yes sir.

Q. Take the Kirkwood Branch: How many trains do you run between St. Louis and Kirkwood?

A. I believe one.

Q. Is that a heavy train?

6676 A. As a rule it is,—yes. It would be heavier than the other because it hauls Iron Mountain freight.

Q. Those are all within the Terminal Division at St. Louis?

A. Yes sir.

Q. Is the work of handling those trains charged up to the Terminal Division at St. Louis, as a part of the terminal expense?

A. I presume it is—yes.

Q. In this Exhibit 36-*b*, in the latter part of paragraph "*c*," you say that the average number of gross ton miles of the through trains is 99,243: that is right, isn't it?

A. Yes sir.

Q. And the gross ton miles of the local trains is on the average 43,282; and there are 579 through trains how many gross ton miles, according to those figures, are in those through trains?

(Witness calculates.)

The MASTER: I suppose this average would be computed from Exhibit 14-*a*, to which this Exhibit relates. Exhibit 14-*a* gives the average loads for the trains examined.

Mr. LADD: No sir, it is entirely independent of Exhibit 14-*a*.

A. 57,461,697, on the through trains.

Q. And you say, in this exhibit, there are 1334 way trains, handling on the average 43,252 tons each?

A. Yes sir.

6677 Q. How much, on the average, do those trains handle?

A. (After calculating:) 57,738,188.

Mr. HAGERMAN:

Q. How do you get that example, Mr. Roth?

A. By multiplying the number of ton miles by the number of trains.

Mr. LADD:

Q. Mr. Johnson said yesterday—Those are gross ton miles, aren't they?

A. Yes sir.

Q. Mr. Johnson said yesterday that the freight, he thought, would average fifty or sixty per cent of the gross tonnage: do you agree with him?

A. The gross tonnage—yes.

Q. He said gross ton miles meant the ton miles back of the engine, including all the weight of the cars: that is right, isn't it?

A. Yes sir, that is right.

Q. And he thought the weight of the freight would be probably fifty and sixty per cent of the total gross weight?

A. About fifty.

Q. You say fifty?

A. Somewhere between fifty and sixty per cent.

Q. To illustrate the matter, I wish you would figure what sixty per cent of the gross ton miles carried on the through trains is: that is, sixty per cent of 57,461,697.

A. (After calculating:) 34,477,018.

Q. The figures you have just given me are ton miles of freight; that is right, is it not?

A. No sir.

6678 Q. Why not?

A. The gross ton miles hauled by those trains—they are not ton miles of freight.

Q. Assuming the freight is sixty per cent of the gross tonnage?

A. You could hardly apply that.

Q. Why not?

A. You are not accounting for your empty cars that may be in the trains.

Q. We are taking the average of the trains.

A. You couldn't do that on a sixty per cent basis.

Q. Suppose you do it, any way. Please take sixty per cent of the gross ton miles of the local trains: that is 60 per cent of 57,738,188.

A. That is 34,642,912.

Q. Now add those together.

A. It makes 69,119,930.

Q. If that method of calculation is a correct one, the net tonnage of the through trains and the way trains, then, is 69,119,930 ton miles, isn't it.

A. Yes sir, if that calculation is correct.

Q. That is on the Eastern Division alone?

A. The Eastern and Terminal divisions. The whole business between St. Louis and Kansas City, main line, and River Division.

Q. That is for December, 1906, is it?

A. That is for December, 1906.

6679 Q. The total ton miles of freight during the month of October, 1905, as shown by Defendant's Exhibit 19, was 56,318,597: that is correct, isn't it?

A. I don't know whether it is correct.

Q. I mean those figures?

A. As on Exhibit 19.

Q. According to that same Exhibit 19, the total ton miles of state freight during November and October, 1905, was 7,872,906, wasn't it?

A. Yes sir.

Q. How does the October business compare with the December business, generally?

A. It is impossible to compare one year with another.

Q. How was it by Exhibit 5-*c*?

A. That was the year 1905 and this is 1906.

Q. Just answer my question. How was it according to Exhibit 5-*c* in 1905?

A. October was about 57,000 more than in December.

Q. How much heavier do you suppose, if you suppose it would be heavier at all, the business would be in December, 1906, than it was in October, 1905?

A. I have no idea.

Q. Well, it couldn't exceed 25 per cent more, could it?

A. I should think not.

Q. If the total ton miles of state freight during the month of October, 1905, as shown by Exhibit 19, were 7,872,906, as-

6680 sume for the purposes of my question that the total number of ton miles of state freight in December, 1906, were 10,000,000; that is more than 25 per cent more. Then, if your local trains, according to the figures you have worked out, carried 34,642,917 ton miles, and there were 10,000,000 ton miles of state freight, those local trains, even if they carried all that state freight, must have carried nearly 24,000,000 ton miles of interstate freight?

Mr. HAGERMAN: That is objected to. The thing he was contending for yesterday was that you could not include in these estimates Company freight. Now, the 34,000,000 would include the Company freight. In other words, the State cannot blow hot and cold.

The MASTER: Whatever inconsistencies may occur, of course may be pointed out. I think so far as the question is concerned, it is all right.

Mr. LADD: I will withdraw that question.

Q. Assume then, that 34,642,917 net ton miles of freight includes the Company freight, and deduct 4,642,917 for the Company freight (that would be more than 10 per cent), and make it an even 30,000,000 ton miles: If the local trains, then, carried 30,000,000 ton miles of freight of all kinds, both state and interstate, there were

10,000,000 ton miles of state freight, then those local trains, even if they carried all that state freight, must still have carried about 20,000,000 tons of interstate freight: isn't that so?

Mr. HAGERMAN: That is objected to as involving so many assumptions not consistent with the testimony, that it is of no value.

6681 Mr. LADD: Every assumption is based on the testimony.

The MASTER: It is a submission to the witness, as an expert, of an hypothesis, assumed by counsel, in one view of exhibits already filed. I think that is well enough.

Mr. HAGERMAN: When he gets through his assumptions, he assumes everything; that 20,000,000 is interstate, and that 10,000,000 is state. But it is not based upon any facts at all. It is a mere mathematical calculation, that it does not need a witness to record.

The MASTER: I think that is true, but in this sort of an examination I think it is proper enough.

A. It is right, as a matter of calculation, as you put it, but not right otherwise. This does not represent the state tonnage, as I have tried to explain.

Q. And it is true, isn't it, although the assumption that the total ton miles of state freight was 10,000,000 is based upon Exhibit 19, which takes in all the business in the State of Missouri, and not the Eastern Division alone?

A. Yes sir.

Q. You may state why that is not fair. You said it was not, now why not?

A. In what respect?

Q. You said that wasn't fair. Why not?

A. You are assuming that 60 per cent of the 57,000,000 gross ton miles represents the net tonnage, and I say it does not represent the net tonnage. When you asked me what percentage I thought the net tonnage was of the gross revenue I said sixty per cent.

6682 By that I meant that the gross tonnage of a car would be 100 per cent, but the net tonnage would be from fifty to sixty per cent of that gross tonnage. I did not include any empty cars that might be hauled in the trains.

Q. Didn't you say "everything back of the engine"?

A. I did not have that in mind.

Q. This does not involve the number of cars, does it? Your Exhibit 36-*b* simply involves the number of trains?

A. The ton miles given there are merely as a matter of comparison between the local trains and the through trains. It does not purport to be, or to give any idea of the actual number of revenue ton miles hauled on those trains. It is merely a comparison between the two classes of trains.

Q. Your Exhibit 36-*b* does not have any reference at all to the number of cars, or to whether they are empty cars, or whether they are loaded cars, does it?

A. No sir.

Q. You say the average of these 1134 trains which you ran; and

the trains may be made up of empty cars and loaded cars; and you say the average gross tonnage of those 1134 trains is 43,392 tons?

A. Yes sir.

Q. And then I asked you what percentage of that would be the weight of the freight, and you said fifty to sixty per cent, and Mr. Johnson said the same thing yesterday.

A. I didn't mean it that way. You did not ask me what percentage of that 99,000 tons was revenue freight.

The MASTER:

Q. Your gross tonnage does not include the empty cars hauled; is that the idea?

6683 A. It does include the empty cars.

Mr. HAGERMAN:

Q. As given in Exhibit 36-*b*?

A. It would include it in both local trains, and on the through trains. We were unable to separate it.

May I make an explanation about that?

The MASTER: Certainly.

A. That gross ton mileage was simply inserted to show the comparative weight in ton miles hauled on local and through trains, as compared to what the weight would be on those trains by our Exhibit 14-*a* and Exhibit 15. Those figures were taken from our transportation statistics, and there has been absolutely no change made on them. Now, it is impossible to explain the extent to which empty cars are included in those figures. Any empty cars hauled on those trains would naturally increase that gross ton mileage. But when Mr. Ladd asked me what percentage I thought the net ton miles bore to the gross ton miles, I had in view the weight of the car, and the weight of the contents of the car, and, therefore, said, "fifty to sixty per cent". The actual difference, of course, is very much greater than that, when you take all your empties into consideration. But these figures were given, not to give the gross ton miles on the Eastern Division, but merely to show the comparison per train, comparison with the weights shown on Exhibits 14-*a* and 15.

Mr. HAGERMAN: What you mean to say is, that 60 per cent of the gross you gave——

Mr. LADD: I would rather the witness would explain this. I would rather not have the cross-examination interrupted.

6684 The MASTER: I- has been done heretofore without objection; but, of course, if objection is made, it will have to be sustained.

Mr. HAGERMAN: I sat there yesterday and permitted Gen. Hadley to interrupt me, without any objection whatever.

The MASTER: I know you did. But, your objection would have been sustained if you had made it.

Mr. LADD:

Q. Have you anything further to say about that?

A. No sir, that is all.

Q. See if I am right: you said you put this exhibit in to make a comparison with the tonnage as shown by Exhibits 14-*a* and 15: is that right?

A. Yes sir.

Q. What is the average number of tons on each local train, as shown by your Exhibit 14-*a*?

A. 204 tons.

Q. What is the average number of tons on your through trains, as shown by Exhibit 15?

A. 470.

Q. What percentage is 204 of 470?

A. 43 and a fraction.

Q. What is the percentage of the gross tonnage of your local trains, 43,282, of the percentage of your through trains, as shown in Exhibit 36-*b*, 99,243?

A. 43 and a fraction.

Q. The percentage is the same, is it?

A. Yes sir.

6685 Q. While Exhibit 14-*a* dealt only with loaded cars?

A. Exhibit 14-*a* dealt only with loaded cars.

Q. The actual weight of the revenue freight?

A. Yes sir.

Q. And Exhibit 15 also dealt with loaded cars, actual weight of revenue freight?

A. Yes sir.

Q. One being local and one being through?

A. Yes sir.

Q. And you say your Exhibit 36-*b* deals necessarily with some empty cars, and some Company freight?

A. Yes sir.

Q. How do you explain that the percentage is the same?

A. I cannot see any reason why the percentages should not be the same. In the first place, one is ton miles, or tons one mile; and the other is tons. It can at the best be only a rough comparison, and it does not follow that if you were to eliminate your empty cars from these ton mile figures that the percentages would materially vary, except insofar that they would be governed by the length of the haul. When you are dealing with ton miles the length of the haul cuts some figure, whereas in Exhibits 14-*a* and 15 that is not taken into consideration at all.

Q. But the fact remains that the percentages are the same in both these cases?

A. They are, for the reason that on your through trains your ton miles are increased perhaps two or three times by the distance hauled, over the local business. It would be very hard to explain

6686 why they are the same percentages, for that reason. You cannot tell the relative proportion.

Q. According to the figures which you made for me, assuming my processes were correct, it appeared that 20,000,000 tons of interstate freight must have been carried on these way trains, didn't it?

A. According to your figures, yet—Or, rather, the figures I worked out for you.

Q. As against 10,000,000 tons of state freight?

A. Yes sir.

Q. And that in the 10,000,000 ton miles of state freight was included the state freight hauled on every part of the system in Missouri?

A. Yes sir.

Q. While on the 30,000,000 tons, according to your figures, it was only the Eastern Division?

A. Yes sir.

Q. That left 20,000,000 tons of interstate freight to be hauled on the local trains, didn't it, even with that disadvantage?

A. On the basis of these figures—yes.

Q. You say there are some empty cars, and, therefore, it would not be fair to say that sixty per cent of the gross ton miles would be freight. Allowing for that, how much would this 20,000,000 tons be reduced?

A. I couldn't possibly say. I could not make an estimate on that.

6687 Q. In dealing with Exhibits 5-*c*, 19 and 19-*a*, Counsel stopped with bridge tolls: You estimated that there was something like $14,000 of bridge tolls which the State's experts did not deduct in their Exhibit 19?

A. In round numbers, yes.

Q. Was there any difficulty in the way, if they had wanted to make the deduction, to their doing that?

A. I don't think so.

Q. Counsel stopped with bridge tolls, although yesterday there was included in connection therewith some other items. I do not understand what connection they have with it, but the item was "Bridge tolls, transfers and claims": Are transfers and claims something in addition to bridge tolls?

A. Claims are.

Q. What are transfers?

A. The same thing as bridge tolls.

Q. What are "claims"? That is to say, Mr. Johnson was asked and the assumption was made, that Mr. Ludlam deducted nothing for claims: what does that mean, in making up Exhibit 19?

A. Those claims are chiefly corrections made subsequent to settlement with the agent, for any bill. There may be an error in weight, or an error in rate, and if the correction is made after we have settled with the agent, there is a general entry made for that,

6688 and he is charged or credited with the difference.

Q. I don't care about the details of it. I am simply asking that because the question was put to Mr. Johnson—and I will show you in a minute what I am trying to get at—and his language was "Mr. Ludlam said he deducted nothing for bridge tolls, transfers and claims": Your answer to it was "Bridge tolls": now would there be anything in addition for the other two things?

A. Yes sir.

Q. How much, in round numbers?

A. As near as I can estimate it, it would be about $15,000. The whole deductions for the month of October should be about $29,000.

Mr. HAGERMAN: Mr. Ludlam, if the thing you did not deduct was simply "bridge tolls," and that was $14,000, that is what I want. If there was something else you did not deduct, let us have the whole thing.

Mr. LUDLAM: How much did Mr. Roth deduct?

Mr. ROTH: $29,000 for all the things combined.

Mr. LUDLAM: Will you mind asking him, Mr. Hagerman——

Mr. HAGERMAN: If you two can agree about it, that is all I want to get. You may ask him yourself.

NOTE.—At this point Mr. Ludlam and Mr. Roth examine papers.

Mr. HAGERMAN:

Q. Mr. Roth, can you and Mr. Ludlam check up to estimate whether the total thing is $14,000, $17,000 or $29,000? I don't care what it is, so we know what they did not deduct.

6689 & 6690 A. When these experts checked it, they had those deductions detailed on our sheets, and all they had to do was to take off the details, and they would have the amount. I cannot recollect what they were.

Q. You think they aggregate $29,000?

A. I think so.

Mr. HAGERMAN: Mr. Ludlam, what do you think it aggregates?

Mr. LUDLAM: I haven't made any estimate on it.

Q. Can Mr. Taliaferro give the answer?

Mr. TALIAFERRO: Mr. Roth's figure includes certain bridge tolls that were deducted in making up our statement.

Q. That may account for it. What is the total amount that you did not deduct, is what I want to get at, in addition to the $14,000 for the bridge tolls?

Mr. TALIAFERRO: Very roughly, $16,000 to $18,000 is my idea.

Q. For everything?

Mr. TALIAFERRO: Yes sir.

Q. Including bridge tolls?

Mr. TALIAFERRO: Yes sir.

Mr. LADD: He is trying to get at how much in addition to bridge tolls you did not deduct, which they included. Mr. Roth says about $14,000 bridge tolls: How much in addition to that did you deduct?

Mr. TALIAFERRO: My idea would be $3,000 or $4,000.

Mr. HAGERMAN: That is near enough for the Court to get the idea. It is not important enough to follow it up.

6691 The volume referred to in the certificate of the Trial Judge as "One volume endorsed # 3000 Wabash Railroad: Index and Exhibits" is in the words and figures following, to wit:

6691½

Wabash R. R. Company.

Index of Exhibits.

Page.	Ex.	Name of exhibit.
5231	1	Folder of Wabash R. R.
5235	2	Wabash St'm't showing decrease in earnings 1904–5 if rates of Act had been changed.
5247	3	St'm't showing method of preparing Ex. 2.
5248	4	St'm't showing Wabash mileage in Mo. earnings & expenses 1904–5.
5301	5	1st st'm't prepared by Wabash.
5339	6	Misc. earnings. Report 1904.
5591	7	Copy of resolutions adopted at meeting of R. R. Acc'ts N. Y. April 9, 1906.
5596	8	Copy resolutions " " " " " " "
5600	9	Letter to T. J. Tobin from E. B. Pryor, Jan. 30/06, regarding appropriation of $700,000.
5621	9*a*	Apportionment $300,000 to different states.
5661	10	Figures used in arriving at percentages shown Ex. 2, 3, 4.
5671	11	Earnings calendar years 1902, 3, 4, 5.
5684	...	Page 40 Annual Report for 1905.
5868	12	Blue print, operating statistics yr. ending 1906.
5868	12*a*	" " " " " "
5912	13	Contract Hannibal Bridge to Wabash & Pacific & Mo. Pacific.
5912	14	Assignment said contract to Wabash.
5913	15	Annual Report 1904.
5913	16	" " 1905.
5913	17	" " 1906.
5913	18	Detailed statement rentals p'd by Wab. during 1904–5.
5965	19	Mo. proportion earnings Mo. Pac. Oct. 1905.
5980	20	Gross earnings, operating Expenses net earnings, Wabash Co. in Mo. calendar yr. 1905 on various bases (based on Ex. 19).
5995	20*a*	Showing how figures are reached.
6004	21	Gross & net earnings gross operating Exp. per calendar —.
6692		
6010	22	Earnings & Expenses calendar yr. 1904 various bases.
6021	22*a*	How figures in Ex. 22 were reached.
6022	23	Earnings & expenses calendar year 1905 various bases.
6026	24	State freight earnings & expenses net earnings calendar year 1905.

Page.	Ex.	Name of exhibit.
6034	25	Gross earnings M. of W. & S. M. E. expenses per mile all R. R. in U. S. 11 yrs. ending June 1904.
6036	26	Revenue per ton per mile under Act 1905.
6041	...	Page 41 Annual Report.
6043	27	Actual earnings state freight Oct. 1905 certain stations compared with Act of 1905 rates.
6048	28	Tonnage in and out certain stations Sept., 1906 as per W/B.
6049	29	Same exhibits Population, etc.
6100	30	
6102	31	Tonnage C. L. freight Oct. 1 to 3, '05 on Mo. Pac.
6154	32	Assessed valuation property in Mo. for taxes of 1906.
6143	...	Pages from Annual Report.
6155	...	" " " "
6156	...	" " " "
6157	...	" " " "
6158	...	" " " "
6159	...	" " " "
6163	...	Offer of testimony given in Mo. Pac. Case.
6164	...	" " " " " " " "
6165	...	" " " " " " " "
6166	...	" " " " " " " "
6167	...	" " " " " " " "
6168	...	" " " " " " " "

(Here follows Exhibit No. 1—time table—route of the Mexican Special, page 6693.)

6694 EXHIBIT 2. Nov. 20th, 1906.

The Wabash Railroad Company.

Exhibit Showing Decrease in Intrastate Freight Earnings in Missouri Had Commodities Mentioned in the Act of 1905 Been Carried at Maximum Rates Therein Named (Except as Stated in Note Below).

	1904.	1905.
1. Total revenue received on Intra-state business on commodities mentioned in the Act of 1905	$133,793.02	$163,019.83
2. Total which would have been received therefor had commodities been carried at maximum rates named in the Act of 1905, based on Wabash mileage	101,387.06	126,445.73
3. Making a total diminution in revenue..	32,405.96	36,574.10
4. Diminution in revenue shown above, reduced to percentage	24.2%	22.4%
5. The total receipts from all Intra-State freight business in Missouri were....	688,242.18	717,221.68
6. From which deduct diminution in revenue which would have resulted had commodities been carried at maximum rates named in the Act of 1905...	32.405.96	36,574.10
7. Earnings which would have been received from all Intra-State business in Missouri had commodities been carried at maximum rates named in the Act of 1905	655,836.22	680,647.58
8. The expense of doing Intra-State business in Missouri based upon the percentage that the Intra-State freight earnings in Missouri bear to the total Freight Earnings in Missouri, to which expense must be added the extra cost of doing Intra-State freight business, to be hereafter determined by expert testimony	843,999.17	761,880.85
	$188,162.95	$81,233.27
9. Deficit		
10. To which deficit should be added additional cost of doing Intra-State business, as determined by expert testimony	$	$

11. NOTE.—Excludes all traffic on which the application of the rates fixed by the Act of 1905, would increase the revenue of the Wabash Railroad Company.

6695 EXHIBIT 3. November 20th, 1906.

The Wabash Railroad Company.

The Following is the Basis Used for Arriving at the Expenses of Intra-state Freight Business in the State of Missouri.

Year 1904.

Total Operating Expenses for Missouri, as per statement attached $4,657,318.04

NOTE.—Operating Expenses for Missouri are arrived at as follows:

All Operating Expenses incurred within the State of Missouri are included in these figures. Where certain expenses, such as General Expenses, Maintenance of Equipment, etc. are not chargeable within the State, the State of Missouri is charged with its proportion upon a revenue train, engine and car mileage basis. (See Note 1.)

Freight Proportion 65%..... 3,027,256.73

The freight proportion is arrived at as follows:

All freight expenses are charged direct to "Freight."

All passenger expenses are charged direct to "Passenger."

All expenses common to freight and passenger are divided between "Freight" and "Passenger" upon a basis of revenue train mileage.

(The result of this division between "Freight" and "Passenger" is as follows:

Freight proportion 65%
Passenger " 35%)

To arrive at the Intra-State freight expenses, the following figures are used:

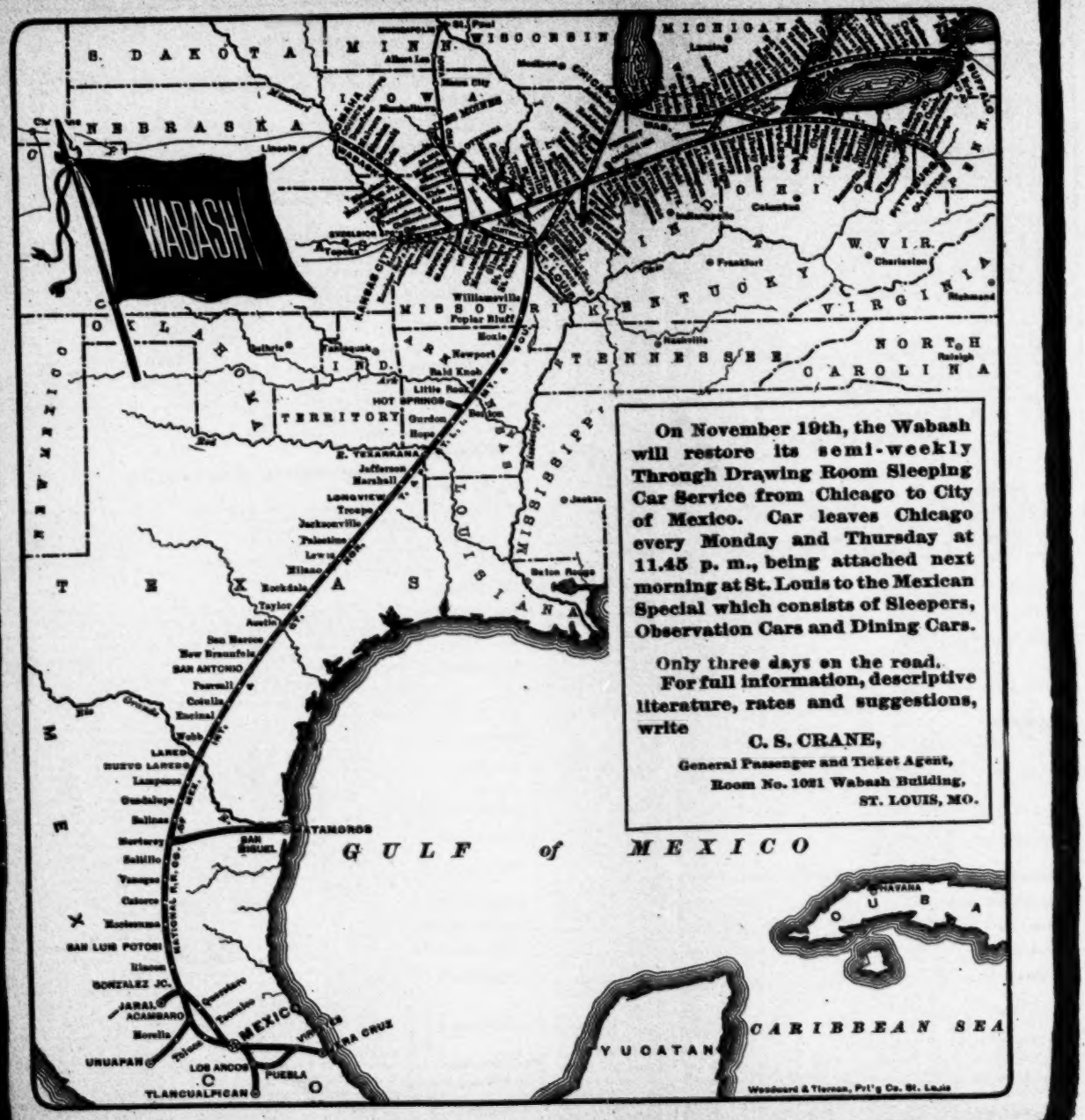
Freight earnings—

Intra-State....	$688,242.18=	27.88%
Interstate.....	1,780,681.38=	72.12%
	$2,468,923.56=	100.00%

To arrive at the expenses of Intra-State freight business in Missouri, take the percentage that the Intra-State freight earnings bear to the Total freight earnings in Missouri, viz: 27.88%

27.88% of $3,027,256.73... 843,999.17

ROUTE OF THE MEXICAN SPECIAL.



On November 19th, the Wabash will restore its semi-weekly Through Drawing Room Sleeping Car Service from Chicago to City of Mexico. Car leaves Chicago every Monday and Thursday at 11.45 p. m., being attached next morning at St. Louis to the Mexican Special which consists of Sleepers, Observation Cars and Dining Cars.

Only three days on the road.

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- HORACE E. WATTS.....Division Freight and Passenger Agent.
- W. B. JENNINGS.....Traveling Freight and Passenger Agent.

Monterey, Mex.—J. H. SEARLE.....Traveling Freight and Passenger Agent.

New York, N. Y.
- H. B. McCLELLAN, 287 Broadway.....General Eastern Agent.
- A. S. DUNBAR, 287 Broadway.....Eastern Passenger Agent.
- J. B. DINNING.....New Jersey Freight and Passenger Agent.
- C. H. LATTA, 287 Broadway...Trav. Freight and Passenger Agent.

Omaha, Neb.
- HARRY E. MOORES, 1601 Parnam Street...Gen'l Agent, Pass'r Dep't.
- JOS. TEAHON, 1601 Parnam Street.....Traveling Passenger Agent.
- G. M. ENTRIKEN.....Division Freight Agent.
- M. B. LEHR.....Traveling Freight Agent.

Peoria, Ill.—JAMES GOURAN, Rooms 218-219 Woolner Building.....Commercial Agent.

Pittsburg, Pa.
- R. F. KELLEY, 320 Fifth Avenue....Assistant General Pass'r Agent.
- CHAS. HAMILTON, 320 Fifth Avenue.....Passenger Agent.
- W. S. TURNBULL, 320 Fifth Avenue.....Traveling Passenger Agent.
- H. S. BRADLEY.....Commercial Agent.

Quincy, Ill.
- GEO. C. OSBORN.....Division Freight and Passenger Agent.
- THOS. JOHN, Jr.....Traveling Freight and Passenger Agent.

Salt Lake City, Utah.
- W. A. HOPKINS.....Commercial Agent.
- JAMES L. YUNDT.....Traveling Freight Agent.

San Francisco, Cal.
- L. R. ROBINSON, Room 305 Monadnock Bldg....General Agent.
- ZAC. T. GEORGE.....Traveling Freight and Passenger Agent.

Springfield, Ill.
- R. C. FLEMING.....Passenger and Ticket Agent.
- W. L. BOWLUS.....Division Freight Agent.
- J. R. SUNDERLAND.....Traveling Freight Agent.

St. Louis, Mo.
- T. F. HARRINGTON, Eighth and Olive Streets.....Pass'r and Ticket Agent.
- H. M. DRESSELL, Eighth and Olive Streets.....City Passenger Agent.
- W. M. FITZGERALD, Room 413 Union Station....Depot Pass'r Agent.
- W. D. WOOD, Wabash Building.....Traveling Passenger Agent.
- W. H. WYLIE, 203 Carleton Building.....Commercial Agent.
- A. D. WILLICKEN.....Traveling Freight Agent.

St. Paul, Minn.—G. J. LOVELL, 376 Robert Street.....Northwestern Passenger Agent.

St. Thomas, Ont.
- J. A. RICHARDSON.....District Passenger Agent.
- T. L. COCHRANE.....Traveling Freight Agent.

Toledo, Ohio.
- P. E. DOMBAUGH, 307 Madison Street.....Pass'r and Ticket Agent.
- W. A. SPROTT.....Division Freight Agent.
- H. H. TAYLOR.....Traveling Freight Agent.

Toronto, Can.—J. A. RICHARDSON, N. E. cor. King and Yonge Streets.....Dist. Pass'r Agent.

Wheeling, W. Va.
- R. B. LAWRENCE.....General Agent.
- C. W. HENRY.....Traveling Freight and Passenger Agent.

Zanesville, Ohio.—C. A. SULLIVAN.....General Agent.

General Information.

The Time Given in these time tables is that at which trains are expected to arrive at and depart from the several stations, *but it is not guaranteed*, and although every care is taken to keep the tables correct, the Wabash Railroad Company does not hold itself responsible for possible errors or for delay or inconvenience resulting from failure to make connections advertised herein.

Standard of Time.—Central Standard time is used west of Detroit and Pittsburg. East of these points Eastern Standard time is used.

Baggage Regulations.—One hundred and fifty pounds of baggage will be checked to and from all stations upon presentation of one full ticket; seventy-five pounds on each half ticket.

Baggage in excess of 150 pounds will be charged for in accordance with tariff furnished agents, but no piece of baggage weighing more than 250 pounds will be received.

Baggage cannot be checked to a point short of destination of ticket, except upon such tickets as permit of stop-over privileges.

Storage on baggage remaining in baggage rooms over twenty-four hours will be charged at the rate of twenty-five cents for the first day, and ten cents for each succeeding day.

Passengers paying excess baggage charge will receive an "Excess Baggage" receipt or check, which must be delivered to the agent with the checks when the baggage is claimed.

Baggage checked to stations where there is no agent must be claimed at the baggage car door by surrender of duplicate check or else it will be carried to the next station beyond at which there is an agent.

Passengers should mark their names on trunks and other pieces of baggage, and also make a note of the numbers of checks, to aid in identification and recovery in case of loss.

Baggage for Canada can be examined by CANADIAN CUSTOMS INSPECTOR at WABASH DEPOT (Dearborn Station), CHICAGO, before departure, thereby avoiding annoyance and delay at the border.

Bicycles and Baby Carriages will be charged for at a minimum rate of fifty pounds excess baggage for each piece, no charge to be less than twenty-five cents; lamps and cyclometers must be removed before wheels are checked.

Redemption of Tickets.—This Company will fully protect its patrons from loss in cases where, from a good reason, they do not use the tickets purchased for passage over its line. The unused portion of this Company's issue of coupon or of local tickets, or of mileage tickets, will be redeemed in accordance with established rules on presentation to the General Passenger and Ticket Agent, St. Louis, Mo. If you do not have time to attend to the matter, refer it to the ticket agent at your station, who will attend to its adjustment for you.

Rates for Children.—Children under five years of age, in charge of a competent person, are carried free. Children five and under twelve years of age are required to pay half fare; over twelve, full fare.

Lost Articles are in charge of General Baggage Agent at St. Louis, Mo.; passengers who have lost articles on trains or at stations will please communicate with him direct or through their nearest ticket agent.

Lost Tickets.—Railway companies are not responsible for lost tickets; therefore, all possible precaution should be taken to prevent their loss. Upon purchasing through tickets passengers should make a memorandum of the "Destination," "By what Railway issued," "Form Number," "Consecutive Number," and "Place and Date of Sale;" also of the consecutive numbers of their baggage checks. This will aid in their recovery if lost or stolen.

Fares Cannot be Adjusted by Conductors.—In the event of any disagreement with a conductor relative to tickets, passengers should pay the conductor, take his receipt and refer the case to the General Passenger and Ticket Agent for adjustment. The conductor is governed by rules he cannot change.

Corpse.—The rate for the transportation of a corpse, regardless of the age of the deceased, will be one regular lowest first class fare (minimum collection $1.00) when accompanied by some person in charge who must hold transportation. One hundred and fifty pounds of baggage is allowed on each corpse ticket.

One-way or Round Trip Tickets reading between Decatur or stations west and Montpelier and stations east (except west-bound from points east of Navarre on Wheeling & Lake Erie or Wabash Pittsburg Terminal Railways) will be honored at option of passenger via Chicago or via Fort Wayne.

Holders of tickets reading to or from Toledo, Ohio, can use same to or from Detroit, Mich., via Fort Wayne, Ind., upon the payment of $1.20 to conductor in charge. Tickets reading Wabash Railroad from Detroit or points east to New Haven, Montpelier or points west, or *vice versa*, may be honored from or to Toledo.

Holders of Second Class Tickets can occupy first class SLEEPING CARS upon the payment of one cent per mile for the distance traveled in addition to the price originally paid for the ticket, provided the holders of such tickets pay the usual sleeping car rates.

Freight Trains.—This Railroad Company does not wish to carry passengers upon way freight trains, and does so only as an accommodation to the public. These trains cannot stop at the station platforms, and all persons who ride on them must do so with the understanding that they must get on or off where the cars may chance to stop, and that they assume all inconvenience and risk in getting to or from the cars. No baggage can be checked on these trains. Tickets must be purchased before taking these trains. Cash fares will not be accepted for passage.

Guns in cases may be checked as baggage. When put together ready for use they may not be carried in passenger cars, but will be cared for in baggage car free of charge at owner's risk.

Pacific Express Company operates over all Wabash Lines.

STOP-OVERS.

NIAGARA FALLS.

Arrangements have been made by rail lines leading from Niagara Falls to make this point attractive. Arrangements have also been made with the hack lines whereby the cost of this service is regulated and reduced to reasonable rates. Hotel accommodations are ample and charges are reasonable. The Government of the United States on the one side and that of Canada on the other, have reserved for public purposes the best situations adjacent to the Falls, admittance to which is free.

Passengers holding unlimited, limited first or second class and returning portion of round trip or continuous train tickets of Wabash or foreign lines' issue, reading via Wabash Railroad, will be allowed to stop over at Niagara Falls without additional charge, on application to conductors.

On **one-way tickets**, stop-over will be allowed not to exceed ten (10) days. On **round trip tickets** (return portion), stop-over of ten (10) days will be allowed only within the final return limit of ticket.

Upon arrival at Niagara Falls the passenger will deposit his ticket with station ticket agent. Agent will furnish depositor with receipt for ticket.

West-bound.—Stop-overs not exceeding ten (10) days will be granted on tickets destined to points on the Wabash Railroad or connections, St. Thomas and west thereof.

East-bound.—Stop-overs not to exceed ten (10) days will be granted on tickets destined to the following points: On New York Central & Hudson River Railroad and West Shore Railroad to Syracuse and points east or north thereof, situated on the lines of those roads or connecting lines; Erie Railroad to all stations east of Buffalo and connecting lines; Lehigh Valley Railroad to Geneva, N. Y., and to points east thereof on that line or connecting lines; Delaware, Lackawanna & Western Railroad to all stations and on connecting lines; Pennsylvania Railroad points east of Emporium Junction.

Tickets deposited for stop-overs will only be exchanged upon application of original purchaser, within one hour of the schedule time of departure of train on which passenger is to resume journey.

DETROIT.

One-way Tickets.—Commencing June 1st, passengers holding first class one-way tickets of connecting line or Wabash Railroad issue, will be allowed stop-overs at Detroit, Mich., not to exceed October 15th.

Round Trip Tickets.—On round trip tickets of connecting line or Wabash Railroad issue, stop-overs will be allowed all the year round on the going and return journey within the final limit.

Passengers desiring this privilege will make application for same to conductor or collector.

On arrival at Detroit, passenger will deposit ticket with Union Depot Ticket Agent. Agent will furnish depositor with receipt for ticket.

OPTIONAL BOAT OR RAIL.

During season of navigation, tickets reading via this Company's lines between Detroit and Buffalo, in either direction, will be honored at option of the passenger between Detroit and Buffalo, in either direction, on Detroit & Buffalo Steamboat Company's steamers or Northern Steamship Company's steamers. Meals and berth extra.

Passengers will be accommodated east-bound upon application to conductors. Passengers can secure similar accommodation west-bound upon presentation of ticket at the Dock Office (Buffalo) of the Detroit & Buffalo Steamboat Company, or at the Dock Office (Buffalo) of the Northern Steamship Company.

HUDSON RIVER DAY LINE STEAMER.

During season of navigation, tickets reading via West Shore Railroad or New York Central & Hudson River Railroad, between Albany or Troy and New York, will be honored on Day Line Steamer. Rail tickets must be exchanged on train or at dock in Albany for steamer ticket.

WABASH RAILROAD MILEAGE OPERATED.

BUFFALO DIVISION	225.2
DETROIT DIVISION	256.4
PERU DIVISION	269.0
DECATUR DIVISION	469.3
SPRINGFIELD DIVISION	268.1
MOBERLY DIVISION	350.3
TOTAL	1,817.7
WHEELING & LAKE ERIE RAILROAD	462.6
WABASH PITTSBURG TERMINAL RAILWAY	92.9
WEST SIDE BELT RAILROAD	30.0
GRAND TOTAL	2,403.2

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Each Time Table is numbered. The figures opposite the stations in index refer to the time table, for example: Chillicothe, Mo., is carried in Time Table No. 8, and Jacksonville, Ill., in Table No. 11.

The numbers opposite the name of station in tables refer to the number of table where connections are made.

NOTE ALL REFERENCE MARKS CAREFULLY.

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Oakland, Ohio..... 22
Oak Lawn, Ill.....8, 9
Oakley, Ill.....8, 9, 10
Oakwood, Mo..... 18
O'Fallon, Mo.....1, 18
Okolona, Ohio....10½, 21
Omaha, Neb..... 6
Oneida, Ohio..... 26
Orland, Ill.....8, 9
Orleans, Ill..... 11
Orrick, Mo..... 1
Orrville, Ohio..... 21
Oskaloosa, Iowa..... 7
Osman, Ill..... 9
Osnaburg, Ohio..... 26
Ottumwa, Iowa.....3, 7

P

Palemon, Mo..... 1
Palmer, Ill.....8, 9, 10
Palos Park, Ill.....8, 9
Palos Springs, Ill.....8, 9
Paris, Mo..... 11
Pattonsburg, Mo.... 6
Pawnee, Ohio..... 21
Paynes, Ont..... 10
Peacock, Ind..... 16
Pekin, Ohio..... 26
Pendleton, Mo..... 1
Peoria, Ill..... 17
Percy, Iowa..... 3
Perry Springs, Ill.... 11
Persinger, Mo..... 6
Peru, Ind..... 10
Philo, Ill..... 10
Pickering, Iowa..... 7
Pierce, Pa..... 25
Pine, Ind..... 12
Pine Valley, Ohio.... 24
Pittsburg Junc., Ohio. 21, 24
Pittsburg, Pa..11, 21, 23, 25
Pittsfield, Ill.....11, 19
Poag, Ill.....8, 9, 10
Pontiac, Ill..... 13
Port Robinson, Ont.. 10
Prairie Switch, Ind.. 10
Proctor, Ill.....8, 9

Q

Queen City, Mo..... 3
Quincy, Ill..... 11, 19

R

Raisin Center, Mich..10, 12
Randolph, Mo 1
Randolph Springs, Mo. 1
Raymond, Ill.....8, 9, 10

Table No.

Rea, Pa..... 23
Reddick, Ill.....8, 9
Reflectoryville, Pa..... 25
Renick, Mo..... 1
Renton, Ont..... 10
Rexford, Ohio..... 24
Rich Valley, Ind 10
Richville, Ohio..... 27
Riverside, Ind..... 10
Riverton, Ill..... 11
Roanoke, Ind..... 10
Robertsville, Ohio... 26
Rockfield, Ind 10
Rockdale, W. Va 21
Rook, Pa..... 21
Romulus, Mich.....10, 12
Rose, Ind..... 10
Rowe, Ill..... 13
Russells, Iowa..... 3
Rush Run, Ohio..... 23

S

Sadorus, Ill..... 10
St. Charles, Mo.....1, 18
St. Joe, Ind..... 10
St. Louis, Mo. (Union Station).....1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 18, 20, 21.
St. Louis, Mo. (City).
Delmar Avenue....1, 18
Ewing Avenue 1
Washington Ave..8, 9, 10
Vandeventer Ave..... 1
St. Paul, Minn 7
St. Peters, Mo..... 1
St. Thomas, Ont....10, 12
Salt Run, Ohio 23
Salisbury, Mo.....1, 3
Sampsel, Mo 6
Sand Creek, Mich..10, 12
Sangamon, Ill.....8, 9, 10
Sanger, Ill..... 11
Saunemin, Ill 8, 9, 17
Scio, Ohio..... 21
Scott, Ohio..... 26
Secor, Ill..... 17
Shadeland, Ind..... 12
Shannondale, Mo..... 6
Shelby's, Ind..... 16
Shenandoah, Iowa... 6
Shepherd, Ill..... 11
Sherrodsville, Ohio...21, 24, 26.
Shumway, Ill..... 14
Sibley, Ill.....8, 9
Sidney, Ill.....10, 14, 15
Silver City, Iowa..... 6
Silex, Mo..... 16
Simcoe, Ont.....10, 12
Sippo, Ohio..... 21
Smithburg Pa. (Mine No. 3)..... 25
Smithfield, Ohio..... 21
Smithville, Ohio..... 21
Solomon, Iowa..... 6
Solon, Ohio..... 22
Somerdale, Ohio..... 21
South Liberty, Mo.... 1
South Milford, Ind.. 12
Spencerville, Ind.... 10
Spencer, Ohio..... 21
Springfield, Ill.....11, 14
Stanberry, Mo..... 6

Table No.

Starne, Ill..... 11
State Line, Ind..... 10
Staunton, Ill.....8, 9, 10
Steele, Ill.....8, 9
Stemples, Ohio..... 26
Stephen's, Mo 4
Steubenville, Ind 12
Steubenville, Ohio....21, 24, 25, 24.
Stewardson, Ill..... 14
Stoney Point, Ont.... 10
Stonington, Ill.....8, 9, 10
Strahan, Iowa..... 6
Strasburg, Ill..... 14
Strawn, Ill.....8, 9
Streator, Ill..... 13
Streetsboro, Ohio.... 22
Stringer, Ohio..... 23
Sturgeon, Mo..... 1
Sublette, Mo 3
Suffield, Ohio..... 22
Sugar Creek, Ohio... 22
Sullivan, Ill..... 14
Summit, Iowa..... 6
Sumner, Mo..... 6
Suspension Bdg. N.Y. 10, 12
Switzler, Mo..... 4
Symerton, Ill.....8, 9

T

Taylorville, Ill.....8, 9, 10
Terminal Junc., Ohio 23
Thames River, Ont.. 10
Thamesville, Ont.... 10
Thompson, Mo..... 1
Thurman, Ind..... 10
Tillsonburg, Ont..... 10
Tilton, Ill..... 10
Tiltonville, Ohio 23
Timewell, Ill..... 11
Toledo, Ohio..10½, 11, 12, 21
Toledo, Ohio (Yards) 12
Tolleston, Ind..... 12
Tolono, Ill..... 10
Topeka, Ind..... 12
Tracy, Iowa..... 3
Tremblys, Ohio..... 22
Trinway, Ohio 22
Triplett, Mo..... 6
Trowbridge, Ohio.... 21
Troy Mo..... 18
Truesdale, Mo 1
Twinsburg, Ohio 22

U

Udell, Iowa..... 3
Unionvale, Ohio..... 24
Urbana, Ill..... 18

V

Valley City, Ill..... 11
Valley Junc. Ohio.... 21
Venice, Ill.....8, 9, 10
Versailles, Ill..... 11
Virginia, W. Va..... 21
Voorhees, Ill..... 14

W

Wabash, Ind..... 10
Wakarusa, Ind..... 12
Wakenda, Mo..... 1
Warrenton, Mo..... 1
Warrenton, Ohio...23, 24
Waterville, Minn.... 7
Washington, Ill..... 17
Wauseon, Ohio..... 12
Wea, Ind..... 10
Welland, Ont..... 10
Welland Junc., Ont..10, 12
Wellington, Ohio.... 21
Wellsville, Mo..... 1
Wentsville, Mo..... 1
Western Indiana Junc., Ill.....8, 9
West Grove, Iowa... 3
West Lebanon, Ind.. 10
West Liberty, Pa..... 25
West Middletown, Pa 21
Weston, Ill..... 17
West Peru, Ind..... 10
West Point, Ind..... 10
West Unity, Ohio..12, 21
Westville, Ind..... 12
Wheeling, W. Va.....21, 22, 23, 24.
White Cloud, Iowa... 6
White House, Ohio..10½, 21
Whiteside, Mo..... 18
Whittaker, Mich....10, 12
Whitten, Mo..... 6
Wilcox, Mo..... 6
Willeys, Ill.....8, 9, 10
Williamsport, Ind.... 10
Willis, Mich.....10, 12
Williston, Ohio..... 21
Windsor, Ont.....10, 12
Windsor, Ill..... 14
Wing, Ill.....8, 9
Witham, Mo..... 6
Wolcottville, Ind..... 12
Woodburn, Ind...10½, 21
Woodleigh, Pa..... 25
Woodrow, Pa..... 24
Worden, Ill.....8, 9, 10
Worth, Ill.....8, 9
Wright, Mo..... 1
Wyatt, Ind..... 12
Wyckles, Ill..... 11

Y

Young, Ohio..... 21

Z

Zanesville, Ohio..... 22
Zoar, Ohio..... 21

ROUND TRIP RATES
TO RESORTS OF
CALIFORNIA, MEXICO, TEXAS AND FLORIDA.

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WABASH SPECIAL TOUR DEPARTMENT,

Room 1024 Wabash Building, ST. LOUIS, MO.

Through Car Service and Equipment.

BETWEEN ST. LOUIS AND TOLEDO, PITTSBURG, DETROIT, BUFFALO, NEW YORK AND BOSTON.

Miles	EAST-BOUND.	6. Daily.	4. Daily.	2. Daily.	ROUTE.
		AM	AM	PM	
0	St. Louis.....Lv.	2 30	8 30	6 10	Wabash.
112	Decatur.....	5 25	11 10	9 20	"
233	LaFayette.....	8 52	2 30	12 41	"
342	Fort Wayne.....Ar.	12 02	5 40	5 26	"
428	Toledo.....Ar.	3 00	10 10	8 45	"
428	Toledo.....Lv.	.....	10 15	8 52	W. & L. E.
501	Norwalk.....Ar.	.....	12 15	11 17	"
574	Massillon.....	.....	3 01	1 54	"
698	Pittsburg.....Ar.	.....	7 15	6 25	"
342	Fort Wayne.....Lv.	.....	4 41	6 35	Wabash.
391	Montpelier.....	.....	6 53	7 01	"
429	Adrian.....	.....	8 05	7 53	"
488	Detroit (Central Time).....Ar.	.....	9 30	9 30	"
489	Windsor (Eastern Time).....	.....	10 15	11 20	"
718	Niagara Falls, N. Y.....	.....	.....	6 00	"
741	Buffalo.....Ar.	.....	4 20	7 00	"
741	Buffalo.....Lv.	.....	4 30	7 20	WestShore.
819	Rochester.....Ar.	.....	6 05	9 21	"
891	Syracuse.....	.....	8 00	11 20	"
937	Utica.....	.....	9 21	.....	"
1009	Rotterdam Junction.....Ar.	.....	10 55	3 05	"
.....	Albany.....Ar.	.....	12 45	6 40	"
1081	Kingston.....Ar.	.....	12 55	5 10	"
1113	Newburg.....	.....	1 35	6 03	"
1170	New York { Forty-second Street..... / Franklin Street.....Ar.	.....	3 20 / 3 50	8 00 / 8 10	"
1009	Rotterdam Junction.....Lv.	.....	11 10	3 10	B. & M.
1078	North Adams.....Ar.	.....	1 05	6 08	"
1114	Greenfield.....	.....	2 03	6 20	"
1170	Fitchburg.....	.....	3 32	8 26	"
1219	Boston.....Ar.	.....	5 20	9 50	"
1336	Portland.....Ar.	.....	10 15	12 40	"
	†Daily, except Sunday.	PM	PM	PM	

No. 6.—Fast Mail.—St. Louis to Toledo: Coach.
No. 4, Continental Limited.—St. Louis to New York: Standard Sleeping Car and Coach. St. Louis to Buffalo: Standard Sleeping Car, connecting with through car for Boston.
Detroit to Boston: Tourist Sleeping Car, Monday, Thursday and Saturday.
Fort Wayne to Toledo: Coaches.
Montpelier to Pittsburg: Standard Sleeping Car and Chair Car.
Dining Car, serving luncheon and supper, service à la carte.
Dining Car on the West Shore, serving breakfast and luncheon; and Cafe Dining Car on Boston & Maine, serving luncheon.
No. 2.—St. Louis to New York: Standard Sleeping Car.
St. Louis to Boston: Standard Sleeping Car. St. Louis to Buffalo: Chair Car.
St. Louis to Toledo: Buffet Sleeping Car. Fort Wayne to Toledo: Coach.
Toledo to Pittsburg: Cafe Parlor Car and Coach.
Dining Car, serving breakfast and luncheon, service à la carte. Cafe Dining Car on the West Shore, serving supper; and on the Boston & Maine, serving breakfast.

Miles	WEST-BOUND.	1. Daily.	3-13-5. Daily.	ROUTE.
		PM	PM	
0	Boston.....Lv.	12 50	a 6 19	B. & M.
50	Fitchburg.....	2 10	7 45	"
106	Greenfield.....	4 00	9 26	"
142	North Adams.....	5 05	10 44	"
209	Rotterdam Junction.....Ar.	7 10	12 40	"
0	New York { Franklin Street.....Lv. / Forty-second Street.....	2 35 / 2 45	b 6 00 / 6 15	West Shore.
58	Newburg.....	4 35	7 57	"
89	Kingston.....Lv.	5 20	10 50	"
143	Albany.....Lv.	5 30	.....	"
161	Rotterdam Junction.....Lv.	7 20	1 04	"
...	Utica.....	9 20	2 50	"
279	Syracuse.....	10 10	4 15	"
368	Rochester.....	11 52	6 05	"
428	Buffalo.....Ar.	1 35	7 50	"
429	Buffalo.....Lv.	1 40	8 15	Wabash.
574	St. Thomas.....	5 00	12 01	"
681	Windsor (Eastern Time).....	7 30	2 25	"
682	Detroit (Central Time).....	7 25	2 20	"
741	Adrian.....	8 55	3 50	"
779	Montpelier.....	10 05	5 15	"
838	Fort Wayne.....Ar.	11 10	6 40	"
0	Pittsburg.....Lv.	.....	6 00	W. & L. E.
111	Massillon.....	.....	10 00	"
185	Norwalk.....	.....	12 39	"
238	Toledo.....Ar.	.....	2 50	"
.....	Toledo.....Lv.	8 10	5 20	Wabash.
838	Fort Wayne.....Lv.	11 15	8 50	"
937	LaFayette.....Ar.	1 51	11 58	"
1058	Decatur.....	4 56	3 40	"
1170	St. Louis.....Ar.	7 45	7 33	"
	a Leaves 4.30 p.m. Sundays. b Leaves 6.00 p.m. Sundays.	PM	AM	

No. 1, Continental Limited.—Boston to St. Louis: Standard Sleeping Car.
New York to St. Louis: Standard Sleeping Car and Coach.
Boston to Montpelier: Tourist Sleeping Car, leaves Boston Tuesday, Thursday and Saturday. Dining Car on the West Shore, serving supper; and Cafe Dining Car on the Boston & Maine, serving luncheon and supper.
Buffalo to Detroit: Standard Sleeping Car (ready for occupancy 9.00 p. m.).
Toledo to Fort Wayne: Coaches.
Dining Car on Wabash, serving breakfast, and Cafe Observation Car, serving luncheon and supper, service à la carte.
No. 5, 18-8.—New York to St. Louis: Standard Sleeping Car. Boston to Buffalo: Standard Sleeping Car, connecting en route with Sleeper for St. Louis.
Buffalo to St. Louis: Chair Car and Coach.
Pittsburg to Toledo: Cafe Parlor Car and Coach.
Toledo to St. Louis: Standard Sleeping Car. Toledo to Fort Wayne: Coaches.
Dining Car on Wabash, serving breakfast and luncheon and Cafe Observation Car, serving supper, service à la carte.

Miles	STATIONS.	18-8. Daily.	ROUTE.
		PM	
0	St. Louis.....Lv.	11 47	Wabash.
112	Decatur.....	3 16	"
186	Danville.....	4 32	"
270	Logansport.....	6 52	"
342	Fort Wayne.....	8 39	"
391	Montpelier.....	9 53	"
429	Adrian.....	10 40	"
488	Detroit (Central Time).....Ar.	12 01	"
489	Windsor (Eastern Time).....	12 45	"
741	Buffalo.....Ar.	4 30	"
741	Buffalo.....Lv.	8 45	D. L. & W.
850	Bath.....Ar.	11 20	"
897	Elmira.....	12 07	"
944	Binghamton.....	1 22	"
1006	Scranton.....	3 15	"
1112	Dover.....	6 25	"
1151	New York { Christopher Street..... / Barclay Street.....Ar.	7 45 / 7 45	"
741	Buffalo.....Lv.	8 30	L. V. & L. E.
810	Rochester.....Ar.	10 19	"
890	Syracuse.....	12 10	"
943	Utica.....	1 40	"
1038	Albany.....Ar.	3 55	"
1038	Albany.....Lv.	4 25	B. & A.
1141	Springfield.....Ar.	7 40	"
1196	Worcester.....	9 10	"
1240	Boston.....Ar.	10 30	"
1355	Portland.....Ar.	† 4 45	B. & M.
	†Daily, except Sunday.	PM	

No. 18-8.—St. Louis to New York: Drawing Room Sleeping Car (ready for occupancy 9.40 p. m.). St. Louis to Buffalo; Buffalo to Boston: Standard Sleeping Car.
Buffalo to New York: Buffet Library Car and Coaches.
St. Louis to Decatur: Chair Car. Decatur to Buffalo: Chair Car.
Cafe Car, Decatur to Detroit, serving breakfast à la carte.
Dining Car, Detroit to Buffalo, serving luncheon and supper, service à la carte.
Dining Car on the Boston & Albany, serving breakfast.

Miles	STATIONS.	9. Daily.	ROUTE.
		AM	
0	Boston.....Lv.	† 5 00	B. & A.
44	Worcester.....	6 24	"
90	Springfield.....	8 15	"
151	Pittsfield.....	10 11	"
202	Albany.....Ar.	†11 50	"
202	Albany.....Lv.	*12 00	L. V. & L. E.
297	Utica.....	2 15	"
350	Syracuse.....	3 45	"
430	Rochester.....	5 30	"
498	Buffalo.....Ar.	7 20	"
0	New York { Barclay Street.....Lv. / Christopher Street.....	10 00 / 10 00	D. L. & W.
1	Hoboken.....	10 15	"
68	Washington.....	11 45	"
146	Scranton.....	1 55	"
208	Binghamton.....	3 30	"
265	Elmira.....	4 50	"
283	Corning.....	5 10	"
302	Bath.....	5 50	"
411	Buffalo.....Ar.	7 50	"
411	Buffalo.....Lv.	8 30	Wabash.
663	Windsor (Eastern Time).....	2 15	"
664	Detroit (Central Time).....	2 05	"
729	Adrian.....	3 25	"
767	Montpelier.....Ar.	4 17	"
810	Fort Wayne.....	5 28	"
892	Logansport.....	7 20	"
966	Danville.....	9 34	"
1040	Decatur.....	11 10	"
1151	St. Louis.....Ar.	2 05	"
	†Daily, except Sunday. *Daily.	PM	

No. 9.—New York to St. Louis: Standard Sleeping Car.
New York to Buffalo: Observation Parlor Car, Dining Car and Coach.
Boston to Albany: Coaches. Albany to Buffalo: Parlor Car, Dining and Chair Cars.
Buffalo to St. Louis: Standard Sleeping Car, Chair Car and Coach.
Cafe Observation Car, serving breakfast and luncheon, service à la carte.

Through Car Service and Equipment.

ST. LOUIS TO KANSAS CITY.

Miles	STATIONS.	12. Ex. Sun.	8. Daily.	9. Daily.	7. Daily.
		AM	AM	PM	PM
0	St. Louis.....Lv.	7 40	9 10	3 30	10 15
23	St. Charles	9 40	10 00	5 05	11 05
84	Montgomery	10 45	11 31	4 08	12 47
110	Mexico	11 38	12 15	5 15	1 30
134	Centralia	12 05	12 39	5 41	1 52
148	Moberly	12 30	1 05	6 06	3 00
187	Brunswick	1 30	2 00	7 05	4 10
211	Carrollton	2 30	3 00	7 48	4 49
221	Norborne	2 47	3 27	.....	5 05
277	Kansas City.....Ar.	6 15	5 15	9 30	7 10
		PM	PM	PM	AM

No. 12, Day Local.—Coaches and Smoking Car.

No. 8.—Buffet Parlor Car, Chair Car and Coach; Cafe Observation Car, serving luncheon, service à la carte.

No. 9.—Chair Car and Coach; Cafe Observation Car, serving supper, service à la carte.

No. 7.—Electric lighted Standard Sleeping Cars, Chair Car and Coach. Tourist Sleeping Car runs through to Los Angeles via Union Pacific and Salt Lake Route.

KANSAS CITY TO ST. LOUIS.

Miles	STATIONS.	12. Ex. Sun.	2. Daily.	4. Daily.
		AM	AM	PM
0	Kansas City.....Lv.	7 40	10 20	9 00
41	Lexington Junction	9 12	11 30	10 20
88	Norborne	9 41	11 52	10 46
98	Carrollton	10 02	12 11	11 04
90	Brunswick	10 50	12 45	11 45
129	Moberly	2 15	2 05	1 50
153	Centralia	2 58	2 48	2 40
166	Mexico	3 18	3 08	3 05
193	Montgomery	4 05	3 49	3 52
254	St. Charles	6 00	5 17	5 47
277	St. Louis.....Ar.	7 11	6 10	6 50
		PM	PM	AM

No. 12.—Day Local.—Coaches.

No. 2.—Kansas City to St. Louis: Buffet Parlor Car, Chair Car and Coach. Kansas City to Moberly: Cafe Observation Car, serving luncheon, service à la carte.

No. 4.—Electric lighted Drawing Room Sleeping Car, Chair Car and Coach.

ST. LOUIS TO COUNCIL BLUFFS AND OMAHA.

Miles	STATIONS.	3. Daily.	1. Daily.
		AM	PM
0	St. Louis.....Lv.	9 10	8 00
23	St. Charles	10 00	8 50
110	Mexico	12 15	10 55
148	Moberly	1 20	12 03
187	Brunswick	2 25	1 10
225	Chillicothe	3 44	2 09
267	Pattonsburg	5 03	3 15
294	Stanberry	6 03	4 20
309	Shenandoah	6 37	6 31
411	Council Bluffs.....Ar.	10 30	8 20
414	Omaha.....Ar.	.....	8 40
		PM	AM

No. 3.—St. Louis to Brunswick: Buffet Parlor Car, Chair Car and Coach. Brunswick to Council Bluffs: Coaches. Moberly to Brunswick: Cafe Observation Car.

No. 1, St. Louis-Omaha Limited.—Standard Sleeping Car, Chair Car and Coach.

OMAHA AND COUNCIL BLUFFS TO ST. LOUIS.

Miles	STATIONS.	6. Daily.	14. Daily.
		AM	PM
0	Omaha.....Lv.	.....	6 30
3	Council Bluffs	9 15	6 45
51	Shenandoah	11 06	8 14
64	Coin	11 28	8 37
119	Stanberry	2 25	10 30
147	Pattonsburg	3 27	11 13
189	Chillicothe	4 58	12 28
232	Brunswick	7 39	1 45
269	Moberly	9 10	3 10
304	Mexico	.....	4 10
391	St. Charles	.....	6 24
414	St. Louis.....Ar.	.....	7 15
		PM	AM

No. 6.—Day Local.—Coaches.

No. 14.—Omaha-St. Louis Limited.—Standard Sleeping Car and Chair Car (seats free).

ST. LOUIS TO HANNIBAL.

Miles	STATIONS.	18. Ex. Sun.	5. Ex. Sun.	ROUTE.
		AM	PM	
0	St. Louis.....Lv.	7 40	5 30	Wabash
12	Ferguson	8 15	6 05	"
23	St. Charles	8 40	6 30	"
43	Gilmore	10 00	7 21	St. L. & H.
58	Troy	10 47	8 06	"
93	Bowling Green	12 20	9 39	"
109	Frankford	1 00	10 19	"
118	New London	1 40	10 58	"
128	Hannibal.....Ar.	2 15	11 30	"
		PM	PM	

No. 18.—St. Louis to Gilmore: Coaches. Gilmore to Hannibal: Coaches.

No. 5.—St. Louis to Hannibal: Coaches.

HANNIBAL TO ST. LOUIS.

Miles	STATIONS.	10. Ex. Sun.	2. Ex. Sun.	ROUTE.
		AM	AM	
0	Hannibal.....Lv.	6 00	11 25	St. L. & H.
10	New London	6 26	11 55	"
19	Frankford	6 45	12 20	"
33	Bowling Green	7 17	12 55	"
68	Troy	8 35	2 20	"
83	Gilmore	9 35	3 44	Wabash.
105	St. Charles	10 18	5 17	"
116	Ferguson	10 45	5 50	"
128	St. Louis.....Ar.	11 25	6 10	"
		AM	PM	

No. 10.—Hannibal to St. Louis: Coach.

No. 2.—Hannibal to Gilmore: Coaches. Gilmore to St. Louis: Parlor Car, Chair Car and Coach.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

WABASH TOURIST CAR SERVICE.

TWO different routes to California from St. Louis.

TWO different routes to the East from Chicago.

If you are going East or West inquire of any representative shown on pages 1 and 2, and learn more of our Tourist Car Service. Complete schedules shown on pages 55 and 56.

Through Car Service and Equipment.

BETWEEN CHICAGO AND TOLEDO, PITTSBURG, DETROIT, BUFFALO, NEW YORK AND BOSTON.

EAST-BOUND.

Miles		14-4. Daily.	6. Daily.	12-2. Daily.	ROUTE.
		AM	PM	PM	
0	Chicago.....Lv.	11 00	3 00	10 32	Wabash.
7	Englewood.....”	11 19	3 21	10 51	”
175	Montpelier.....Ar.	4 40	8 20	4 17	”
233	Toledo.....Ar.	.....	10 00	7 00	”
233	Toledo.....Lv.	.....	10 15	8 52	W. & L. E.
372	Massillon.....Ar.	.....	3 01	1 52	”
419	Jewett.....”	.....	5 00	3 48	”
483	Pittsburg.....Ar.	.....	7 15	6 25	”
456	Wheeling.....Ar.	.....	8 30	5 45	”
175	Montpelier.....Lv.	.....	.....	4 17	Wabash.
313	Adrian.....Ar.	4 46	8 20	5 20	”
272	Detroit (Central Time).....”	5 50	9 15	6 30	”
273	Windsor (Eastern Time).....”	6 05	10 40	7 30	”
381	St. Thomas.....”	10 15	12 30	11 20	”
503	Niagara Falls, N. Y.....”	12 42	3 00	2 00	”
525	Buffalo.....Ar.	.....	6 48	6 00	”
525	Buffalo.....Lv.	4 20	7 40	7 00	”
595	Rochester.....Ar.	6 05	10 52	9 31	West Shore.
676	Syracuse.....”	8 00	12 50	11 20	”
728	Utica.....”	9 21	.....	.....	”
795	Rotterdam Junction.....Ar.	10 55	4 22	3 05	”
.....	Albany.....Ar.	12 45	.....	5 40	”
955	New York { Forty-second Street.....Ar. / Franklin Street.....Ar.	3 20 / 3 30	8 00 / 8 15	8 00 / 8 10	”
795	Rotterdam Junction.....Lv.	11 10	.....	3 10	B. & M.
863	North Adams.....Ar.	1 05	.....	5 08	”
900	Greenfield.....”	2 03	.....	6 20	”
936	Fitchburg.....”	2 53	.....	8 26	”
1005	Boston.....Ar.	5 20	.....	9 50	”
		PM	PM	AM	

No. 14-4.—Chicago to New York: Standard Sleeping Car.
Chicago to Boston: Standard Sleeping Car; Tourist Sleeping Car, Monday, Thursday and Saturday. Rotterdam Junction to Boston: Coaches.
Chicago to Detroit: Chair Car and Coaches (connecting with Coach for New York); Dining Car, serving luncheon and supper, service à la carte. Dining Car on the West Shore, serving breakfast and luncheon. Cafe Dining Car on Boston & Maine, serving luncheon.

No. 6.—Chicago to New York: Standard Sleeping Car.
Chicago to Pittsburg: Standard Sleeping Car and Chair Car (seats free.)
Chicago to Buffalo: Standard Sleeping Car, Chair Car and Coach; Dining Car, serving supper, service à la carte.

No. 12-2.—Chicago to Boston: Standard Sleeping Car.
Chicago to Buffalo: Standard Sleeping Car, connecting en route with through car for New York. Cafe Dining Car on the West Shore, serving supper; and on the Boston & Maine, serving breakfast.
Chicago to Detroit: Chair Car and Coach.
Chicago to Toledo: Drawing Room Sleeping Car. Montpelier to Toledo: Coaches.
Toledo to Pittsburg: Cafe Parlor Car and Coach.
Cafe Observation Car, serving luncheon, service à la carte.

WEST-BOUND.

Miles		1. Daily.	3-18. Daily.	5. Daily.	ROUTE.
		PM	PM	PM	
0	Boston.....Lv.	12 50	a 6 10	.....	B. & M.
50	Fitchburg.....”	1 40	7 25	.....	”
106	Greenfield.....”	2 43	8 35	.....	”
142	North Adams.....”	3 33	9 22	.....	”
209	Rotterdam Junction.....Ar.	4 50	10 40	.....	”
0	New York { Franklin Street.....Lv. / Forty-second Street.....”	b 1 25 / b 1 45	c 1 00 / c 1 15	3 45 / 10 00	West Shore.
89	Kingston.....Lv.	5 20	10 59	1 22	”
143	Albany.....Lv.	5 30	.....	11 26	”
161	Rotterdam Junction.....Lv.	7 20	1 04	3 45	”
.....	Utica.....”	8 53	2 50	.....	”
279	Syracuse.....”	10 10	4 15	7 40	”
368	Rochester.....”	11 32	6 06	10 15	”
429	Buffalo.....Ar.	1 36	7 50	12 35	”
429	Buffalo.....Lv.	1 40	8 15	7 50	Wabash.
482	Niagara Falls, N. Y.....”	.....	.....	3 25	”
681	Windsor (Eastern Time).....”	7 30	2 05	10 55	”
682	Detroit (Central Time).....”	7 35	2 45	11 00	”
780	Montpelier.....Ar.	9 33	4 40	1 40	”
0	Pittsburg.....Lv.	.....	.....	3 00	W. & L. E.
0	Toledo.....Lv.	8 10	.....	11 30	Wabash.
49	West Unity.....”	9 33	.....	12 58	”
58	Montpelier.....Ar.	9 47	.....	1 15	”
780	Montpelier.....Lv.	10 06	4 46	1 40	”
948	Englewood.....”	3 32	9 11	6 51	”
955	Chicago.....Ar.	3 50	9 30	7 15	”
		PM	PM	AM	

a Leaves 4.30 p. m. Sundays.

b Through Chicago Sleeper leaves on No. 15, leaving Franklin Street 1.00 p. m. and Forty-second Street at 1.15 p. m. Passengers can occupy space in St. Louis car on the 2.25 p. m. train from Franklin Street, or 2.45 p. m. train from Forty-second Street, connecting at Kingston with No. 1 at 5.30 p. m. and transferring to the Chicago car at that time. c Leaves 4.00 p. m. Sundays.

No. 1, Continental Limited.—Boston to Chicago: Standard Sleeping Car. Tourist Sleeping Car every Tuesday, Thursday and Saturday.
New York to Chicago: Standard Sleeping Car.
Dining Car on West Shore, serving supper; and Cafe Dining Car on Boston & Maine, serving luncheon and supper.
Buffalo to Detroit: Standard Sleeping Car (ready for occupancy at 9.00 p. m.).
Detroit to Chicago: Chair Car. Toledo to Montpelier: Coaches.
Dining Car, serving breakfast and luncheon, service à la carte.
No. 3-18.—Boston to Chicago: Standard Sleeping Car. Cafe Dining Car on Boston & Maine, serving supper.
New York to Buffalo: Standard Sleeping Car, connecting with Through Car for Chicago. Buffalo to Chicago: Standard Sleeping Car and Chair Car.
Detroit to Chicago: Chair Car and Coach.
Dining Car, serving breakfast, luncheon and supper, service à la carte.
No. 5.—New York to Chicago: Standard Sleeping Car.
Buffalo to Chicago: Chair Car and Coach.
Pittsburg to Chicago: Standard Sleeping Car and Chair Car.
Detroit and Toledo to Chicago: Standard Sleeping Car.
Dining Car, serving supper, service à la carte.

STATIONS.

Miles		6. Daily.	12-2. Daily.	ROUTE.
		PM	PM	
0	Chicago.....Lv.	3 00	10 32	Wabash.
7	Englewood.....”	3 21	10 51	”
175	Montpelier.....Ar.	8 20	4 17	”
233	Toledo.....Ar.	10 00	7 00	”
483	Pittsburg.....Ar.	7 15	6 25	W. & L. E.
175	Montpelier.....Lv.	8 20	4 17	Wabash.
272	Detroit (Central Time).....Ar.	10 40	7 30	”
273	Windsor (Eastern Time).....”	12 30	11 20	”
500	Suspension Bridge.....”	6 30	5 45	”
503	Niagara Falls, N. Y.....”	6 48	6 08	”
525	Buffalo.....Ar.	7 40	7 00	”
500	Suspension Bridge.....Lv.	6 50	.....	R. W. & O.
651	Oswego.....Ar.	11 15	.....	”
731	Norwich.....”	2 03	.....	N.Y.O. & W.
776	Sidney.....”	4 00	.....	”
797	Walton.....”	4 43	.....	”
898	Middletown.....”	¶ 5 45	.....	”
976	New York { Forty-second Street.....Ar. / Franklin Street.....Ar.	8 10 / 8 40	.....	”
525	Buffalo.....Lv.	.....	8 45	D. L. & W.
728	Binghamton.....Ar.	.....	1 25	”
780	Scranton.....”	.....	3 15	”
935	New York.....Ar.	.....	7 45	”
525	Buffalo.....Lv.	.....	7 35	N. Y. O. & W. R.
593	Rochester.....Ar.	.....	10 [illegible]	”
832	Albany.....”	.....	3 [illegible]	”
1004	Boston.....Ar.	.....	10 30	B. & A.
	¶ Meals.	PM	AM	

No. 6.—Chicago to New York: Standard Sleeping Car and Chair Car.
Chicago to Pittsburg: Standard Sleeping Car and Chair Car.
Chicago to Buffalo: Standard Sleeping Car and Chair Car; Dining Car, serving supper, service à la carte.
No. 12-2.—Chicago to Buffalo: Standard Sleeping Cars.
Buffalo to New York: Standard Sleeping Cars, Buffet Library Car and Coach.
Buffalo to Boston: Standard Sleeping Car; Dining Car on the Boston & Albany, serving breakfast. Chicago to Detroit: Chair Car and Coach.
Montpelier to Toledo: Coaches. Toledo to Pittsburg: Cafe Parlor Car and Coach.
Cafe Observation Car, serving breakfast and luncheon, service à la carte.

STATIONS.

Miles		9. Daily.	3-13. Daily.	ROUTE.
		AM	PM	
0	Boston.....Lv.	† 5 00	.....	B. & A.
202	Albany.....”	*12 00	.....	N. Y. C. & H. R.
420	Rochester.....”	5 20	.....	”
488	Buffalo.....Ar.	7 10	.....	”
0	New York.....Lv.	10 00	.....	D. L. & W.
146	Scranton.....”	1 55	.....	”
208	Binghamton.....”	3 25	.....	”
281	Elmira.....”	4 38	.....	”
411	Buffalo.....Ar.	7 55	.....	”
0	New York { Franklin Street.....Lv. / Forty-second Street.....”	.....	5 40 / 6 00	N. Y. O. & W.
70	Middletown.....”	.....	¶ 8 00	”
119	Liberty.....”	.....	9 46	”
180	Walton.....”	.....	11 33	”
301	Sidney.....”	.....	12 20	”
226	Norwich.....”	.....	1 06	”
326	Oswego.....”	.....	4 00	R. W. & O.
396	Charlotte.....”	.....	5 50	”
477	Suspension Bridge.....Ar.	.....	8 10	”
.....	Buffalo.....Lv.	8 39	8 15	Wabash.
477	Suspension Bridge.....”	.....	8 25	”
704	Windsor (Eastern Time).....”	.....	2 15	”
705	Detroit (Central Time).....”	.....	2 05	”
764	Adrian.....”	.....	3 20	”
892	Montpelier.....”	.....	4 35	”
971	Englewood.....Ar.	10 03	9 11	”
973	Forty-seventh Street.....”	10 06	9 [illegible]	”
977	Chicago.....Ar.	10 22	9 30	”
	* Daily. † Daily, except Sunday. ¶ Meals.	AM	PM	

No. 9.—New York to Montpelier: Standard Sleeping Car, connecting en route with Sleeper for Chicago.
New York to Buffalo: Observation Parlor Car, Dining Car and Coach.
Boston to Albany: Coaches.
Albany to Buffalo: Parlor Car, Dining Car and Chair Car.
Buffalo to Chicago: Standard Sleeping Car.
Dining Car on the Wabash, serving breakfast, service à la carte.
No. 3-13.—New York to Chicago: Standard Sleeping Car and Chair Car.
Detroit to Chicago: Chair Car and Coach.
Dining Car, serving breakfast, luncheon and supper, service à la carte.

Through Car Service and Equipment.

CHICAGO TO ST. LOUIS.

Miles	STATIONS.	11. Daily.	17-5. Ex. Sun.	13-3. Daily.	15. Daily.
		AM	PM	PM	PM
0	**Chicago**.....Lv.	11 30	5 20	9 17	11 45
93	**Forrest**.....	2 10	8 10	12 40	2 20
146	**Monticello**.....	3 40	9 35	2 18	3 35
153	**Bement**.....	3 53	9 51	2 36	3 50
173	**Decatur**.....	4 36	10 55	3 50	4 35
202	**Taylorville**.....	5 13	11 40	4 40	5 27
224	**Litchfield**.....	5 55	12 28	5 40	6 18
283	**St. Louis**.....Ar.	7 30	2 00	7 33	8 04
		PM	AM	AM	AM

No. 11.—**Banner Blue Limited:** Parlor Observation Car, Chair Car, Coach and Cafe Car, serving luncheon and supper, service à la carte.

No. 17-5.—Chicago to Decatur: Parlor Car. Decatur to St. Louis: Coach.

No. 13-3.—Electric lighted Drawing Room and Buffet Sleeping Car, Chair Car and Coach.

No. 15.—Electric lighted Standard Sleeping Cars, Chair Car and Smoking Car; Cafe, serving luncheon and light breakfast.

ST. LOUIS TO CHICAGO.

Miles	STATIONS.	4-10. Ex. Sun.	14. Daily.	12. Daily.	18. Daily.
		AM	AM	PM	PM
0	**St. Louis**.....Lv.	8 30	11 30	9 17	11 47
59	**Litchfield**.....	9 50	1 03	11 04	1 28
84	**Taylorville**.....	10 29	1 42	12 00	2 16
112	**Decatur**.....	11 15	2 30	12 55	3 23
133	**Bement**.....	11 55	3 03	1 40	3 57
140	**Monticello**.....	12 10	3 17	1 55	4 10
193	**Forrest**.....	4 00	4 55	4 00	5 40
286	**Chicago**.....Ar.	5 15	7 30	7 17	8 02
		PM	PM	AM	AM

Nos. 4-10.—St. Louis to Decatur: Cafe and Parlor Cars and Coach.
Decatur to Chicago: Buffet Parlor Car and Coach.

No. 14.—**Banner Blue Limited:** Parlor Observation Car, Chair Car and Smoking Car; Dining Car, serving luncheon and supper, service à la carte.

No. 12.—Electric lighted Buffet Drawing Room Sleeping Car, Chair Car and Coach.

No. 18.—Standard Sleeping Cars, Chair Car, Smoking Car and Cafe, serving luncheon and light breakfast.

CHICAGO TO KEOKUK, HANNIBAL AND QUINCY.

Miles	STATIONS.	11-1. Daily.	15-3. Daily.
		AM	PM
0	**Chicago**.....		
173	**Decatur**.....Lv.	11 30	11 45
173	**Decatur**.....Ar.	4 31	4 20
	.....Lv.	4 33	4 45
212	**Springfield**.....	5 45	5 55
246	**Jacksonville**.....	7 00	7 06
263	**Bluffs**.....Ar.	¶ 7 35	¶ 7 38
263	**Bluffs**.....Lv.	.....	8 10
297	**Clayton**.....Ar.	.....	9 20
297	**Clayton**.....Lv.	.....	9 25
325	**Quincy**.....Ar.	.....	10 25
297	**Clayton**.....Lv.	.....	9 25
339	**Keokuk**.....Ar.	.....	11 05
263	**Bluffs**.....Lv.	7 52	7 57
314	**Hannibal**.....Ar.	9 45	10 00
332	**Quincy**.....Ar.	10 40	10 50
	¶ Meals.	PM	AM

No. 11-1.—Chicago to Decatur: Parlor Observation Car, Chair Car and Coach; Cafe Car, serving luncheon, service à la carte. Decatur to Quincy: Coaches.

No. 15.—Chicago to Quincy: Standard Sleeping Car.
Chicago to Decatur: Chair Car and Coach.
Decatur to Quincy: Coaches.
Decatur to Keokuk: Coaches.

QUINCY, HANNIBAL AND KEOKUK TO CHICAGO.

Miles	STATIONS.	4-10. Daily.	22. Ex. Sun.	2-12. Daily.
		AM	AM	PM
0	**Quincy**.....Lv.	5 00	.....	5 20
49	**Hannibal**.....	6 00	.....	6 05
99	**Bluffs**.....Ar.	7 42	.....	8 15
0	**Keokuk**.....Lv.	.....	9 10	4 45
42	**Clayton**.....Ar.	.....	11 05	6 27
0	**Quincy**.....Lv.	.....	.....	5 15
28	**Clayton**.....Ar.	.....	.....	6 20
42	**Clayton**.....Lv.	.....	11 10	6 30
76	**Bluffs**.....Ar.	.....	12 47	7 42
99	**Bluffs**.....Lv.	7 42	1 05	8 15
87	**Jacksonville**.....	9 20	2 55	9 50
121	**Springfield**.....	9 45	3 20	10 05
150	**Decatur**.....Ar.	10 50	4 50	11 15
150	**Decatur**.....Lv.	†11 15	.....	12 55
332	**Chicago**.....Ar.	5 15	.....	7 17
	† Daily, except Sunday	PM	PM	AM

No. 4-10.—Quincy to Decatur: Coaches.
Decatur to Chicago: Buffet Parlor Car and Coach.

No. 22.—Keokuk to Decatur: Coaches.

No. 2-12.—Quincy to Chicago: Standard Sleeping Car.
Quincy to Decatur: Coaches; Cafe, serving luncheon.
Decatur to Caicago: Chair Car and Coach. Keokuk to Bluffs: Coaches.

CHICAGO TO TORONTO, MONTREAL AND BOSTON.

Miles	STATIONS.	6. Daily.	12. Daily.	ROUTE.
		PM	PM	
0	**Chicago**.....Lv.	3 00	10 32	Wabash.
5	**Forty-seventh Street**.....	3 16	10 45	"
7	**Englewood**.....	3 21	10 51	"
175	**Montpelier**.....	8 20	4 17	"
272	**Detroit** (Central Time).....Ar.	10 40	7 30	"
272	**Detroit** (Eastern Time).....Lv.	1 15	1 30	Can. Pac.
388	**London**.....Ar.	5 05	5 20	"
503	**Toronto**.....Ar.	¶ 8 30	¶ 9 15	"
503	**Toronto**.....Lv.	† 9 15	10 00	"
579	**Peterboro**.....Ar.	11 38	12 28	"
712	**Smith's Falls**.....	¶ 3 46	4 33	"
841	**Montreal**.....Ar.	† 7 15	7 35	"
841	**Montreal**.....Lv.	* 7 45	9 00	"
885	**Farnham**.....Ar.	9 08	10 20	"
949	**Newport**.....Ar.	11 15	12 35	"
949	**Newport**.....Lv.	11 35	12 52	B. & M.
994	**St. Johnsbury**.....Ar.	1 10	2 20	"
1108	**Concord**.....	5 05	6 00	"
1156	**Lowell**.....	6 37	7 22	"
1182	**Boston**.....Ar.	7 30	8 15	"
	* Daily. † Daily, except Sunday. ¶ Meals.	AM	PM	

No. 6.—Chicago to Boston: Tourist Sleeping Car every Friday.
Chicago to Toronto and Montreal: Standard Sleeping Car and Coach (Saturday cars from Chicago run to Toronto only).
Chicago to Detroit: Chair Car; Dining Car, serving supper, service à la carte.
Detroit to Toronto and Montreal: Coaches. Toronto to Montreal: Cafe Car.
Montreal to Boston: Standard Sleeping Car and Coaches.

No. 12.—Chicago to Toronto and Montreal: Standard Sleeping Car.
Chicago to Detroit: Chair Car. Detroit to Toronto and Montreal: Coaches.
Toronto to Montreal: Standard Sleeping Car and Cafe Car.
Montreal to Boston: Standard Sleeping Car and Coaches.

The Pullman berth rate, Chicago to Montreal is $5.00; when bought through Chicago to Boston it is $5.50.

BOSTON, MONTREAL AND TORONTO TO CHICAGO.

Miles	STATIONS.	9. Daily.	13. Daily.	ROUTE.
		PM	AM	
0	**Boston**.....Lv.	8 30	10 00	B. & M.
26	**Lowell**.....	9 10	10 39	"
74	**Concord**.....	10 45	12 05	"
188	**St. Johnsbury**.....	3 08	4 00	"
233	**Newport**.....Ar.	4 40	5 30	"
233	**Newport**.....Lv.	4 45	5 40	Can. Pac.
298	**Farnham**.....	6 55	7 48	"
341	**Montreal**.....Ar.	8 15	9 15	"
341	**Montreal**.....Lv.	† 9 30	10 00	"
470	**Smith's Falls**.....	1 15	1 14	"
603	**Peterboro**.....	5 13	5 18	"
679	**Toronto**.....Ar.	† 7 30	7 25	"
679	**Toronto**.....Lv.	* 7 55	8 00	"
794	**London**.....	11 35	11 38	"
910	**Detroit** (Eastern Time).....Ar.	2 55	3 10	"
910	**Detroit** (Central Time).....Lv.	2 05	2 20	Wabash.
1007	**Montpelier**.....Ar.	4 17	4 40	"
1176	**Englewood**.....	10 09	9 11	"
1179	**Forty-seventh Street**.....	10 08	9 15	"
1182	**Chicago**.....Ar.	10 22	9 30	"
	* Daily. † Daily, except Sunday.	AM	PM	

No. 9.—Boston to Montreal: Standard Sleeping Car and Coaches.
Montreal to Chicago: Standard Sleeping Car and Coach. (On Sunday these cars start at Toronto). Cafe Car, Montreal to Toronto.
Dining Car on Wabash, serving lunch, service à la carte.

No. 13.—Boston to Chicago: Tourist Sleeping Car leaves Boston every Tuesday.
Boston to Montreal: Standard Sleeping Car and Coaches.
Montreal to Chicago: Standard Sleeping Car. Montreal to Detroit: Coaches.
Detroit to Chicago: Chair Car and Coach.
Dining Car on the Wabash, serving supper, service à la carte.

The Pullman berth rate, Montreal to Chicago is $5.00; when bought through Boston to Chicago it is $5.50.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

Through Car Service and Equipment.

CHICAGO TO PEORIA.

Miles	STATIONS.	11. Daily.	17. Ex. Sun.	15. Daily.	ROUTE.
		AM	PM	PM	
0	Chicago ..... Lv.	11 30	5 30	11 45	Wabash
40	Manhattan	12 47	6 53	‡ 1 01	"
83	Saunemin	1 43	7 47		"
93	Forrest	2 05	8 07	4 25	T. P. & W.
99	Fairbury ..... Ar.	2 30	8 30	4 40	"
110	Chenoa	2 50	8 50	5 10	"
139	Eureka	3 30	9 30	6 25	"
148	Washington	3 48	9 48	6 41	"
158	Peoria ..... Ar.	4 05	10 05	7 10	"
	‡ Stop on signal.	PM	PM	AM	

No. 11.—Chicago to Peoria: Chair Car.
Chicago to Forrest: Parlor Observation Car; Cafe Car, serving luncheon à la carte.
Forrest to Peoria: Coaches.

No. 17.—Chicago to Forrest: Parlor Car. Forrest to Peoria: Coach.

No. 15.—Chicago to Peoria: Standard Sleeping Car.
Chicago to Forrest: Chair Car and Coach. Forrest to Peoria: Coaches.

PEORIA TO CHICAGO.

Miles	STATIONS.	4-14. Daily.	8-12. Daily.	ROUTE.
		PM	PM	
0	Peoria ..... Lv.	3 30	11 20	T. P. & W.
12	Washington	3 42	12 07	"
19	Eureka	3 54	12 30	"
48	Chenoa	4 17	2 05	"
59	Fairbury	4 31	2 43	"
65	Forrest	4 55	4 03	Wabash.
75	Saunemin	5 12	‡ 4 20	"
118	Manhattan	6 14	5 35	"
158	Chicago ..... Ar.	7 30	7 17	"
	‡ Stop on signal.	PM	AM	

No. 4-14.—Peoria to Chicago: Through Chair Car.
Forrest to Chicago: Parlor Observation Car, Dining Car, Chair Car and Coach.

No. 8-12.—Peoria to Chicago: Standard Sleeping Car.
Peoria to Forrest: Coaches. Forrest to Chicago: Chair Car and Coach.

ST. LOUIS AND KANSAS CITY TO DES MOINES AND ST. PAUL.

Miles	STATIONS.	3-2-8. Daily.	9-19. Daily.	1-4-1. Daily.	ROUTE.
		AM	PM	PM	
0	St. Louis ..... Lv.	9 10	2 20	8 00	Wabash.
110	Mexico	12 15	5 15	10 55	"
148	Moberly ..... Ar.	1 15	6 12	11 55	"
0	Kansas City ..... Lv.	10 20	.....	8 00	"
66	Carrollton	12 11	.....	11 04	"
90	Brunswick	12 45	.....	11 45	"
129	Moberly ..... Ar.	1 55	.....	1 00	"
0	Moberly ..... Lv.	2 05	6 30	1 15	"
23	Macon	2 50	7 15	1 58	"
57	Kirksville	3 57	8 10	3 02	"
96	Moulton ..... Ar.	¶ 5 15	9 20	† 4 15	"
132	Ottumwa ..... Ar.	7 05	.....	6 25	"
121	Albia ..... Ar.	6 30	10 15	5 15	"
192	Des Moines ..... Ar.	9 00	.....	8 00	"
192	Des Moines ..... Lv.	9 05	.....	† 8 15	M. & St. L.
281	Fort Dodge	12 44	.....	11 45	"
384	Albert Lea ..... Ar.	4 15	.....	† 3 05	"
124	Albia ..... Lv.	.....	10 20	* 6 05	Iowa Cent.
147	Oskaloosa	.....	11 10	7 00	"
195	Pickering	.....	12 35	* 8 40	"
205	Marshalltown	.....	12 59	* 9 50	"
330	Albert Lea ..... Ar.	.....	4 45	* 3 05	"
384	Albert Lea ..... Lv.	4 25	4 55	† 3 15	M. & St. L.
491	Minneapolis ..... Ar.	7 25	8 25	7 25	"
503	St. Paul ..... Ar.	8 00	9 00	7 30	"
	* Daily. † Daily, except Sunday. ¶ Meals.	AM	AM	PM	

No. 3-2-8.—St. Louis and Kansas City to Moberly: Buffet Parlor Car, Chair Car and Coach. Moberly to Des Moines: Coaches.
Moulton to Ottumwa: Coaches.
Des Moines to St. Paul: Standard Sleeping Car and Chair Car.

No. 9-19.—St. Louis to St. Paul: Standard Buffet Sleeping Car and Chair Car.
Albia to St. Paul: Chair Car and Coach.
Albert Lea to St. Paul: Buffet Library Car.

No. 1-4-1.—St. Louis and Kansas City to Des Moines: Standard Sleeping Cars.
Kansas City to St. Paul: Tourist Sleeping Car leaves Kansas City every Friday. This car comes through from Los Angeles, leaving there every Tuesday.
Kansas City to Moberly: Chair Car and Coach.
St. Louis to Des Moines: Chair Car.
Des Moines and Albia to St. Paul: Coaches.
Fort Dodge to St. Paul: Cafe Parlor Car.

ST. PAUL, MINNEAPOLIS AND DES MOINES TO KANSAS CITY AND ST. LOUIS.

Miles	STATIONS.	4-7-14. Daily.	20. Daily.	2-3. Daily.	ROUTE.
		AM	PM	AM	
0	St. Paul ..... Lv.	† 9 00	7 25	.....	M. & St. L.
12	Minneapolis	9 35	8 00	.....	"
119	Albert Lea ..... Ar.	¶ 1 00	11 05	.....	"
0	Albert Lea ..... Lv.	* 1 10	11 35	.....	Iowa Cent.
125	Marshalltown	6 05	3 17	.....	"
182	Oskaloosa	8 33	5 05	.....	"
206	Albia ..... Ar.	9 35	5 55	.....	"
119	Albert Lea ..... Lv.	† 1 20	.....	.....	M. & St. L.
222	Fort Dodge	4 44	.....	.....	"
311	Des Moines ..... Ar.	† 8 00	.....	.....	"
311	Des Moines ..... Lv.	* 8 10	.....	6 50	Wabash.
325	Albia	10 40	6 00	9 05	"
.....	Ottumwa ..... Lv.	8 20	.....	8 20	"
353	Moulton ..... Lv.	11 40	6 54	10 00	"
392	Kirksville	12 53	8 10	11 15	"
426	Macon	1 58	9 17	12 24	"
449	Moberly ..... Ar.	2 40	10 00	1 10	"
494	Moberly ..... Lv.	3 00	.....	1 25	"
488	Brunswick	4 10	.....	2 35	"
510	Carrollton	4 49	.....	3 09	"
578	Kansas City ..... Ar.	7 10	.....	5 15	"
449	Moberly ..... Lv.	3 10	10 10	2 05	"
486	Mexico	4 10	11 13	3 00	"
574	St. Charles	6 24	1 24	5 17	"
597	St. Louis ..... Ar.	7 15	2 15	6 10	"
	* Daily. † Daily, except Sunday. ¶ Meals.	AM	PM	PM	

No. 4-7-14.—St. Paul to Kansas City: Tourist Sleeping Car leaves St. Paul every Wednesday, running through to Los Angeles, arriving there every Sunday.
St. Paul to Des Moines: Coaches.
St. Paul to Albert Lea and Fort Dodge: Cafe Parlor Car. Albert Lea to Albia: Coaches.
Des Moines to Kansas City: Standard Sleeping Car.
Des Moines to St. Louis: Standard Sleeping Car and Chair Car.
Ottumwa to Moulton: Coach.
Des Moines to Moberly: Chair Car and Coach.
Moberly to Kansas City: Chair Car and Coach.

No. 20.—St. Paul to St. Louis: Standard Buffet Sleeping Car and Chair Car.

No. 2-3.—Des Moines to Moberly: Coaches.
Moberly to Kansas City: Parlor Buffet Car, Chair Car and Coach; Cafe Car, serving luncheon and supper, service à la carte.
Moberly to St. Louis: Parlor Buffet Car, Chair Car and Coach.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

TOURIST CAR SERVICE.

From Chicago { Tri-weekly service to Boston, via Buffalo.
Weekly service to Boston by Montreal.

From St. Louis { Daily service to Los Angeles, via Union Pacific and Salt Lake Route.
Semi-weekly service to Los Angeles, via Santa Fe.

From St. Paul and Minneapolis—Weekly service to Los Angeles, via Santa Fe.

Complete schedules shown on pages 55 and 56.

Through Car Service and Equipment.

BETWEEN KANSAS CITY AND DETROIT, BUFFALO, NEW YORK AND BOSTON.

Miles	EAST-BOUND.		8. Daily.	ROUTE.
			PM	
0	**Kansas City**	Lv.	6 10	Wabash.
90	**Brunswick**		7 24	"
120	**Moberly**		8 30	"
....	**Quincy**	Lv.	10 40	"
....	**Fall Creek**	Lv.	†11 07	"
198	**Hannibal**			"
200	**Springfield**	Lv.	11 28	"
339	**Decatur**		2 16	"
568	**Fort Wayne**		3 18	"
617	**Montpelier**		8 39	"
714	**Detroit (Central Time)**		9 53	"
715	**Windsor (Eastern Time)**		12 15	"
967	**Buffalo**		1 50	"
		Ar.	7 50	"
967	**Buffalo**	Lv.	8 45	D. L. & W.
1076	**Bath**	Ar.	11 20	"
1113	**Elmira**		12 07	"
1170	**Binghamton**		1 25	"
1232	**Scranton**		3 15	"
1338	**Dover**		6 25	"
1377	**New York** { Christopher Street / Barclay Street	Ar.	7 45	"
967	**Buffalo**	Lv.	8 35	N. Y. C. & H. R.
1036	**Rochester**		10 19	"
1264	**Albany**	Ar.	3 55	"
1306	**Springfield**		7 40	B. & A.
1466	**Boston**	Ar.	10 30	"
			AM	

†Stop on signal.

No. 8.—Kansas City to Buffalo: Through Standard Sleeping Car (connecting en route with through cars for New York) and Chair Car.
Buffalo to New York: Standard Sleeping Car, Buffet Library Car and Coaches.
Kansas City to Moberly: Cafe Observation Car, serving supper, service à la carte.
Cafe Car between Decatur and Detroit, serving breakfast; and Dining Car, Detroit to Buffalo, serving luncheon and supper, service à la carte.
The Boston & Albany has Dining Car between Springfield and Boston, serving breakfast.

Miles	WEST-BOUND.		9. Daily.	ROUTE.
			AM	
0	**Boston**	Lv.	† 5 00	B. & A.
90	**Springfield**		8 15	"
302	**Albany**		*12 00	N. Y. C. & H. R.
430	**Rochester**		5 25	"
499	**Buffalo**	Ar.	7 10	"
0	**New York** { Barclay Street / Christopher Street	Lv.	10 00	D. L. & W.
			10 00	"
146	**Scranton**		1 55	"
208	**Binghamton**		3 32	"
265	**Elmira**		4 32	"
302	**Bath**		5 25	"
411	**Buffalo**	Ar.	7 55	"
411	**Buffalo**	Lv.	8 30	Wabash.
663	**Windsor (Eastern Time)**		2 15	"
664	**Detroit (Central Time)**		2 05	"
810	**Fort Wayne**		5 33	"
1040	**Decatur**		11 20	"
1079	**Springfield**		12 25	"
1181	**Hannibal**	Ar.	4 05	"
1200	**Quincy**	Ar.	5 00	"
1251	**Moberly**	Ar.	6 05	"
1200	**Brunswick**		7 12	"
1379	**Kansas City**	Ar.	9 30	"
1151	**St. Louis**	Ar.	7 00	"
1428	**Kansas City**	Ar.	9 30	"
			PM	

†Daily, except Sunday. *Daily.

No. 9.—New York to St. Louis: Standard Sleeping Car, connects en route with through car for Kansas City via Hannibal. Boston to Albany: Coaches.
Albany to Buffalo: Parlor Car, and Dining Car; (extra fare from Albany to Buffalo).
New York to Buffalo: Observation Parlor Car, Dining Car and Coach.
Buffalo to Kansas City via Hannibal: Standard Sleeping Car.
Buffalo to St. Louis: Standard Sleeping Car and Chair Car and Coach.
St. Louis to Kansas City: Chair Car; Cafe Observation Car, serving breakfast, luncheon and supper, service à la carte. Decatur to Hannibal: Coaches; Cafe, serving luncheon. Hannibal to Quincy: Coaches.

QUINCY, HANNIBAL AND KEOKUK TO DETROIT, PITTSBURG AND BUFFALO.

Miles	STATIONS.		4. Daily.	22. Ex. Sun.	2. Daily.	8. Daily.
			AM	AM	PM	PM
0	**Quincy**	Lv.	5 00	.....	5 20	10 40
19	**Hannibal**		6 00	.....	6 05	11 28
60	**Bluffs**	Ar.	7 42	.....	8 15	12 53
0	**Keokuk**	Lv.	.....	.....	.....	.....
42	**Clayton**	Ar.	.....	11 05	6 27	.....
0	**Quincy**	Lv.	.....	.....	.....	.....
28	**Clayton**	Ar.	.....	.....	5 15	.....
42	**Clayton**	Lv.	.....	.....	6 20	.....
76	**Bluffs**	Ar.	.....	11 10	6 30	.....
60	**Bluffs**	Lv.	7 42	12 47	7 42	.....
87	**Jacksonville**		8 20	1 05	8 15	12 52
121	**Springfield**		9 45	2 55	9 50	1 20
159	**Decatur**	Ar.	10 50	4 05	10 05	2 16
159	**Decatur**	Lv.	11 10	4 50	11 30	3 10
233	**Danville**		12 58	.....	1 23	4 52
280	**LaFayette**		2 10	.....	2 41	5 59
388	**Fort Wayne**	Ar.	4 33	.....	5 28	8 35
498	**Toledo**	Ar.	10 00	.....	8 45	.....
498	**Toledo**	Lv.	10 15	.....	8 52	.....
634	**Massillon**	Ar.	3 01	.....	1 54	.....
746	**Pittsburg**	Ar.	7 15	.....	6 25	.....
388	**Fort Wayne**	Lv.	4 41	.....	5 35	8 39
534	**Detroit (Central Time)**	Ar.	8 23	.....	9 30	12 01
787	**Buffalo (Eastern Time)**	Ar.	4 20	.....	7 00	7 50
			AM	PM	PM	PM

No. 4.—Quincy to Decatur: Coach and Chair Car.
Decatur to Buffalo: Standard Sleeping Car (runs to New York, also connects en route with through car for Boston).

No. 22.—Keokuk to Decatur: Coaches.

No. 2.—Quincy to Decatur: Coaches; Buffet, serving supper, à la carte.
Keokuk to Bluffs: Coach.
Decatur to Buffalo: Standard Sleeping Cars (runs through to New York and Boston) and Chair Car.
Decatur to Toledo: Standard Sleeping Car and Coach.
Toledo to Pittsburg: Cafe Parlor Car and Coach.
Dining Car serving breakfast and luncheon, service à la carte.
For complete service east of Buffalo, see St. Louis-Boston Table, page 9.

No. 8.—Hannibal to Buffalo: Standard Sleeping Car and Chair Car.
Cafe Car between Decatur and Detroit, serving breakfast, and Dining Car between Detroit and Buffalo, serving luncheon and supper, service à la carte.
For complete service east of Buffalo, see Kansas City-Boston Table above.

BUFFALO, DETROIT AND PITTSBURG TO KEOKUK, HANNIBAL AND QUINCY.

Miles	STATIONS.		1. Daily.	3-12-2. Daily.	9. Daily.	23. Ex. Sun.
			PM	AM	PM	AM
0	**Buffalo (Central Time)**	Lv.	.....	8 15	8 30	.....
252	**Windsor (Eastern Time)**		.....	2 25	2 15	.....
253	**Detroit**		.....	2 20	2 05	.....
399	**Fort Wayne**	Ar.	.....	5 40	5 28	.....
0	**Pittsburg**	Lv.	.....	6 00	.....	.....
111	**Massillon**		.....	10 00	.....	.....
250	**Toledo**	Ar.	.....	2 50	.....	.....
.....	**Toledo**	Lv.	.....	5 20	.....	.....
399	**Fort Wayne**	Lv.	.....	8 50	5 33	.....
628	**Decatur**	Ar.	.....	3 40	11 10	.....
628	**Decatur**	Lv.	4 33	4 45	11 20	7 20
667	**Springfield**		5 45	5 55	12 25	8 35
701	**Jacksonville**		7 00	7 06	1 35	10 04
718	**Bluffs**	Ar.	¶ 7 35	¶ 7 38	2 10	10 45
718	**Bluffs**	Lv.	.....	8 10	.....	9 10
732	**Clayton**	Ar.	.....	9 20	.....	3 42
732	**Clayton**	Lv.	.....	9 25	.....	.....
779	**Quincy**	Ar.	.....	10 23	.....	.....
732	**Clayton**	Lv.	.....	9 25	.....	3 45
794	**Keokuk**	Ar.	.....	11 05	.....	6 05
718	**Bluffs**	Lv.	7 52	7 57	2 10	.....
788	**Hannibal**	Ar.	9 45	10 00	4 05	.....
787	**Quincy**	Ar.	10 40	10 50	5 00	.....
0	**Quincy**	Lv.	.....	.....	3 00	.....
19	**Hannibal**		.....	.....	4 10	.....
219	**Kansas City**	Ar.	.....	.....	8 30	.....
			PM	AM	PM	PM

¶Meals.

No. 1.—Decatur to Quincy: Coaches.

No. 3-12-2.—Buffalo to Decatur: Standard Sleeping Cars, Chair Cars and Coaches.
Pittsburg to Toledo: Cafe Parlor Car and Coach.
Toledo to Decatur: Standard Sleeping Car. Toledo to Fort Wayne: Coaches.
Dining Car, serving breakfast and luncheon, service à la carte.
Decatur to Quincy: Standard Sleeping Car and Coaches.
Decatur to Keokuk: Coaches.

No. 9.—Buffalo to Kansas City: Standard Sleeping Car.
Buffalo to Decatur: Chair Car and Coach.
Cafe Observation Car, serving breakfast, luncheon and supper, service à la carte.
Decatur to Hannibal: Coaches; Cafe, serving luncheon, à la carte.
Hannibal to Quincy: Coaches.
Quincy to Hannibal: Coaches. Hannibal to Moberly: Coaches
Moberly to Kansas City: Chair Car and Dining Car, serving supper, à la carte.

No. 23.—Decatur to Keokuk: Coaches.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

St. Louis and Kansas City.

Read Down. Read Up.

71. Freight. Ex.Sun.	71. Freight. Ex.Sun.	33. Sunday Only.	7. Daily.	1. Daily.	5. Daily.	9. Daily.	3. Daily.	13. Ex.Sun.	Miles.	Table 1	Miles.	12. Ex.Sun.	2. Daily.	10. Daily.	8. Daily.	4. Daily.	14. Daily.	20. Daily.	32. Sunday Only.	70. Freight. Ex.Sun.	64. Freight. Daily.
AM	AM	AM	PM	PM	PM	PM	AM	AM				PM	PM	AM	PM	AM	AM	PM	PM	PM	PM
.....	.....	8 00	10 15	8 00	5 30	2 20	9 10	7 40	0	Lv. St. Louis Ar.	277	7 11	6 10	11 25	.....	6 50	7 15	2 15	9 30	.....	.....
.....	.....	f 6 04	.....	.....	.....	.....	.....	f 7 44	1	Ewing Avenue Lv.	275	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	8 08	10 23	8 07	5 38	f 2 23	9 17	7 48	3	Vandeventer Avenue	274	7 00	5 58	11 15	.....	6 40	.....	2 05	9 20	.....	.....
.....	.....	8 17	10 31	8 16	5 44	2 36	9 26	7 57	6	Delmar Avenue 18	271	6 53	5 51	11 08	.....	6 30	6 59	1 57	9 09	.....	.....
.....	.....	8 35	10 45	8 30	6 02	.....	9 40	8 15	12	Ferguson 18	264	6 38	5 38	10 45	.....	6 10	6 45	1 44	8 50	.....	.....
.....	.....	f 8 38	.....	.....	6 14	.....	.....	f 8 19	14	Kinloch Park	263	f 6 32	.....	f10 40	.....	.....	.....	.....	f 8 44	.....	.....
.....	.....	8 42	.....	.....	6 22	.....	.....	8 24	16	Bridgeton 18	260	6 28	.....	10 35	.....	f 6 01	g 6 37	.....	8 48	.....	.....
.....	.....	f 8 46	.....	.....	f 6 28	.....	.....	f 8 31	20	Bonfils 18	257	f 6 16	.....	f10 26	.....	.....	.....	.....	f 8 52	.....	.....
.....	.....	8 56	11 05	8 50	6 36	3 09	10 00	8 40	23	St. Charles 18	254	6 03	5 17	10 18	.....	5 47	6 24	1 24	9 23	.....	.....
.....	.....	f 9 02	.....	f	f 6 43	.....	.....	f 8 47	27	Elm Point	250	f 5 53	.....	f10 08	.....	.....	.....	.....	f 9 17	.....	.....
.....	.....	9 11	.....	.....	6 54	.....	.....	8 56	33	St. Peters	245	5 43	.....	9 56	.....	f 5 32	g 6 09	.....	9 10	.....	.....
.....	AM	9 18	.....	.....	7 03	.....	.....	9 05	36	O'Fallon 18	241	5 36	a 4 54	9 47	.....	f 5 23	g 6 03	.....	9 01	PM	.....
.....	9 00	9 28	.....	.....	7 16	.....	.....	9 15	42	Gilmore 18	235	5 26	4 44	9 35	.....	.....	.....	.....	8 50	2 55	.....
.....	9 23	9 34	.....	.....	7 21	.....	.....	9 23	45	Wentzville	232	5 21	.....	9 23	.....	f 5 08	g 5 51	.....	8 45	3 15	.....
.....	9 58	9 44	.....	.....	7 31	.....	.....	9 36	50	Foristell	226	5 11	.....	9 10	.....	f 4 57	g 5 42	.....	8 35	3 45	.....
.....	10 20	9 51	.....	.....	7 40	.....	.....	9 43	54	Wright	223	5 07	.....	9 02	.....	f 4 50	g 5 37	.....	8 28	3 58	.....
.....	10 57	10 01	.....	f 9 44	7 52	.....	.....	9 56	60	Truesdale	217	4 55	.....	8 51	.....	f 4 38	g 5 27	.....	8 15	4 30	.....
.....	.....	10 04	.....	.....	7 55	.....	.....	9 58	61	Warrenton	216	4 53	.....	8 48	.....	f 4 35	g	f12 26	8 12	.....	.....
.....	11 36	10 13	.....	.....	8 05	.....	.....	10 08	66	Pendleton	211	4 43	.....	8 39	.....	.....	.....	.....	8 01	4 50	.....
.....	12 18	10 22	.....	.....	8 15	.....	.....	10 17	70	Jonesburg	207	4 33	.....	8 31	.....	f 4 17	g 5 12	.....	7 52	5 12	.....
.....	12 56	10 30	.....	.....	8 24	.....	.....	10 26	75	High Hill	202	4 25	.....	8 23	.....	f 4 08	g 5 05	.....	7 44	5 43	.....
.....	1 26	10 38	.....	.....	8 32	.....	.....	10 35	79	New Florence	198	4 18	.....	8 15	.....	f 4 01	g 4 58	.....	7 36	6 11	.....
.....	1 46	10 47	12 47	10 18	8 44	4 28	11 31	10 45	84	Montgomery	193	4 08	3 42	8 05	.....	3 52	4 50	11 54	7 26	6 40	PM
.....	2 16	11 01	f12 59	.....	8 58	4 50	.....	11 00	92	Wellsville	185	3 51	.....	7 53	.....	f 3 38	g 4 39	11 43	7 10	7 20	10 00
.....	2 30	11 10	.....	.....	9 10	.....	.....	11 10	97	Martinsburg	180	3 42	.....	7 45	.....	f 3 30	g 4 32	.....	7 01	7 40	9 40
.....	2 55	11 24	.....	f	9 25	.....	.....	11 24	103	Benton City	174	3 30	.....	7 35	.....	.....	.....	.....	6 47	8 00	9 20
.....	4 25	11 38	1 30	10 55	9 40	5 15	12 15	11 38	110	Mexico 7	166	3 18	3 00	7 24	.....	3 05	4 10	11 13	6 33	8 50	8 50
.....	4 40	11 50	.....	.....	f 9 52	.....	.....	11 48	116	Thompson	161	3 03	.....	7 13	.....	.....	.....	.....	6 18	7 45	7 45
.....	5 34	12 05	1 52	11 15	10 10	5 34	12 39	12 05	124	Ar. Centralia 4 Lv.	153	2 56	2 40	7 00	To Buffalo, see Table 11.	2 40	3 47	10 50	5 16	7 10	7 20
.....	.....	1 30	8 15	.....	11 00	.....	1 30	1 30	146	Ar. Lv. Columbia 4 Lv. Ar.	174	1 40	1 40	6 15		.....	9 25	r 4 10	.....	.....	.....
.....	.....	9 25	.....	.....	PM	4 10	9 25	9 25	146		174	3 55	3 55	AM		.....	1 30	.....	.....	.....	.....
.....	6 09	12 25	f 2 06	11 27	21.	.....	.....	12 22	122	Lv. Sturgeon Lv.	145	2 42	.....	.....		f 2 24	g 3 36	10 37	4 57	6 07	6 45
.....	6 20	12 35	b 2 15	a11 36	Accom.	.....	.....	12 32	137	Clark	140	2 34	.....	.....		f 2 15	g 3 28	a10 30	4 48	5 47	6 32
.....	6 45	12 48	.....	a11 44	Daily.	.....	.....	12 43	142	Benick	135	2 24	.....	6. Daily.		f 2 03	g 3 20	a10 20	4 36	5 25	6 05
AM	7 10	1 00	2 35	11 55	AM	6 12	1 15	12 55	148	Ar. Moberly 3, 6, 7, 11 Lv.	129	2 15	2 05	PM	PM	1 50	3 10	10 10	4 20	5 00	5 30
7 00	PM	PM	3 00	12 03	5 00	6 20	1 25	2 00	148	Lv. Ar.	129	12 15	1 55	6 10	9 25	1 00	3 00	AM	PM	5 20	PM
7 35	.....	.....	3 12	f12 15	5 13	.....	1 40	2 15	155	Huntsville Lv.	123	11 59	1 40	5 54	.....	12 45	e 2 45	.....	4 25	5 05	.....
.....	.....	.....	.....	.....	f 5 20	.....	f	f 2 23	159	Randolph Springs	118	f11 48	.....	.....	.....	.....	.....	.....	.....	.....	.....
8 00	.....	.....	e 3 23	.....	f 5 25	.....	f 1 51	2 30	161	Clifton	116	11 43	d 1 27	f 5 36	.....	.....	.....	.....	.....	4 20	.....
8 35	.....	.....	3 36	f12 42	5 37	.....	2 02	2 46	169	Salisbury 5	108	11 28	1 16	5 21	.....	12 18	e 2 20	.....	.....	3 55	.....
9 00	.....	.....	e 3 48	.....	5 50	.....	2 12	2 56	176	Keytesville	101	11 14	1 04	5 08	.....	f12 04	e 2 07	.....	.....	3 25	.....
9 20	.....	.....	.....	.....	f 5 58	.....	.....	3 06	180	Dalton	97	11 05	f	f 5 00	.....	.....	.....	.....	.....	3 11	.....
10 50	.....	.....	4 10	1 06	6 13	7 12	2 30	3 36	187	Brunswick 6, 7, 11	90	10 50	12 45	7 30	8 24	11 45	1 45	.....	.....	1 30	.....
11 25	.....	.....	e 4 20	AM	6 25	d	2 40	3 46	193	De Witt	83	10 36	d12 33	7 22		.....	AM	.....	.....	1 16	.....
11 45	.....	.....	e 4 26	.....	6 34	d	2 45	3 51	197	Miami	80	10 27	d12 26	7 12		.....	.....	.....	.....	12 45	.....
12 29	.....	.....	e 4 36	.....	6 45	d	2 53	3 57	204	Wakenda	73	10 15	d12 20	7 02		.....	.....	.....	.....	12 20	.....
12 59	.....	.....	4 49	.....	6 58	7 48	3 06	4 10	211	Carrollton 7	66	10 02	12 11	6 52	7 48	11 04	.....	.....	.....	11 55	.....
f 1 16	.....	.....	.....	.....	f 7 03	.....	f	f 4 14	217	Palemon	60	f 9 48	.....	.....	.....	.....	.....	.....	.....	f10 38	.....
1 26	.....	.....	5 05	.....	7 16	.....	3 27	4 17	221	Norborne	56	9 41	11 52	6 35	.....	10 46	.....	.....	.....	10 20	.....
1 45	.....	.....	5 20	.....	7 31	.....	3 42	4 30	229	Hardin	47	9 25	11 41	6 21	.....	f10 32	.....	.....	.....	9 45	.....
2 05	.....	.....	5 34	.....	7 43	.....	3 53	4 41	235	Lexington Junction	41	9 12	11 30	6 11	.....	10 20	.....	.....	.....	9 12	.....
2 21	.....	.....	.....	.....	7 54	.....	.....	4 50	241	Camden	36	9 00	.....	6 00	.....	.....	.....	.....	.....	8 35	.....
f 2 33	.....	.....	.....	.....	f 8 00	.....	f	f 4 57	243	Fleming	33	f 8 54	.....	f 5 54	.....	.....	.....	.....	f	f 8 18	.....
2 49	.....	.....	e 5 54	.....	8 08	.....	4 09	5 06	246	Orrick	30	8 47	.....	5 49	.....	f10 00	.....	.....	.....	8 08	.....
3 05	.....	.....	.....	.....	8 20	.....	4 19	5 10	253	Ar. Excelsior Springs Junc. Lv.	24	8 36	11 04	5 39	.....	.....	.....	.....	.....	7 40	.....
.....	.....	.....	.....	.....	9 05	.....	h 4 40	6 00	261	Ar. Excelsior Springs 2 Lv.	22	7 59	10 35	f 4 45	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	7 50	.....	h 3 50	4 45	261	Lv. Ar.	22	9 05	11 25	6 00	.....	.....	.....	.....	.....	.....	.....
3 05	.....	.....	.....	.....	8 20	.....	4 19	5 10	253	Lv. Excelsior Springs Junc. Ar.	24	8 36	11 04	5 39	.....	.....	.....	.....	.....	7 40	.....
3 15	.....	.....	.....	.....	8 27	.....	.....	5 15	256	Missouri City	21	8 27	.....	5 34	.....	.....	.....	.....	.....	7 05	.....
4 03	.....	.....	.....	.....	f 8 40	.....	f	f 5 25	262	South Liberty	15	8 14	.....	5 25	.....	.....	.....	.....	.....	6 42	.....
4 28	.....	.....	e 6 30	.....	f 8 52	.....	f	f 5 38	267	Birmingham	10	8 03	.....	5 12	.....	.....	.....	.....	.....	6 30	.....
f 4 35	.....	.....	.....	.....	9 00	.....	f	f 5 45	269	Randolph	7	7 56	.....	5 05	.....	.....	.....	.....	.....	f 6 18	.....
f 5 05	.....	.....	.....	.....	f 9 12	.....	f	f 6 00	275	Harlem	2	f 7 48	.....	f 4 53	.....	.....	.....	.....	.....	f 6 00	.....
5 30	.....	.....	7 10	.....	9 25	8 30	5 15	6 15	277	Ar. Kansas City 2, 3, 7, 11 Lv.	0	7 40	10 20	4 45	6 10	8 00	.....	.....	.....	5 50	.....
PM	PM	PM	AM	PM	AM	PM	PM	PM				AM	AM	PM	PM	PM	AM	PM	PM	AM	PM

KANSAS CITY AND EXCELSIOR SPRINGS.

4. Daily.	2. Daily.	12. Daily.	10. Daily.	8. Daily.	6-30. Daily.	28. Sunday Only.	2-26. Daily.	24-6. Daily.	Miles.	Table 2	Miles.	1-23. Daily.	2-25. Daily.	27-3. Sunday Only.	29-13 Ex. Sun.	31. Sunday Only.	7. Daily.	9. Daily.	11. Daily.	5. Daily.	
AM	AM	PM	PM	PM	PM	PM	AM	AM				AM	AM	PM	PM	PM	PM	PM	PM	AM	
.....	.....	.....	.....	.....	4 45	.....	10 20	† 7 40	0	Lv. Kansas City 2, 3, 7, 11 Ar.	23	9 29	.....	5 15	6 15	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	5 39	.....	11 04	8 36	24	Ar. Excelsior Springs Junc. Lv.	0	8 20	.....	• 4 19	5 10	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	5 40	4 20	11 05	• 8 40	0	Lv. Excelsior Springs Junc. Ar	9	8 10	10 55	4 10	5 05	5 30	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	f 5 43	f 4 23	f11 08	.....	1	Cooley Lake	8	f 8 06	f10 51	f 4 06	f 5 01	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	f 5 47	f 4 27	f11 12	.....	2	Miltondale	7	f 8 09	f10 48	f 4 03	f 4 56	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	6 00	4 40	11 25	9 05	9	Ar. Excelsior Springs 1 Lv.	0	7 50	10 35	3 50	4 45	5 10	.....	.....	.....	.....	.....
8 35	6 40	7 00	6 10	4 15	.....	.....	.....	10 55	9	Lv. Excelsior Springs 1 Ar.	1	7 05	9 05	.....	.....	.....	4 45	6 25	7 30	11 25	.....
8 45	6 50	7 10	6 20	4 25	.....	.....	.....	11 05	10	Ar. Milwaukee Junction Lv.	0	6 55	8 55	.....	.....	.....	4 35	6 25	7 20	11 15	.....
AM	AM	PM	PM	PM	PM	PM	AM	AM				AM	AM	PM	PM	PM	PM	PM	PM	AM	

REFERENCE MARKS.—* Daily. † Daily, except Sunday. f Stop on signal. e Will stop to let off passengers from stations between Omaha and Brunswick.
a Will stop on signal Sunday only. b Stops to let off passengers from St. Louis. g Will stop to let off passengers from north of Moberly. h Sunday only.
c Will stop to let off passengers from points east and north of Moberly. r Columbia Branch train only makes connection with No. 32 when there are passengers for that train.
d Regular stop on Sunday.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

Chicago to St. Louis.

Miles	Table 9	81. Ex. Sun.	21. Ex. Sun.	33. Daily.	11. Daily.	35. Daily.	37. Ex. Sun.	51. Daily.	17. Ex. Sun.	41. Daily.	13-S. Daily.	15. Daily.	39. Ex. Sun.	71. Freight. Ex. Sun.	71. Freight. Ex. Sun.
		AM	AM	AM	AM	PM	PM	PM	PM	PM	PM	PM	PM	AM	AM
0	Chicago ..... Lv.	6 00	7 30	9 45	11 30	1 15	2 55	4 30	5 30	6 30	9 17	11 45	5 32		
5	Forty-seventh Street	6 14	7 44	9 59	11 44	1 29	3 12	4 44	5 44	6 44	9 31	11 58	5 46		
7	Englewood. 12, 17	6 19	7 49	10 04	11 49	1 34	3 17	4 49	5 49	6 49	9 36	12 04	5 51		
8	Western Indiana Junction.	6 23	.....	10 08	.....	1 38	3 21	.....	.....	6 53	.....	.....	5 55	.....	.....
9	Chandler	6 25	.....	10 10	.....	1 40	3 23	f 4 55	.....	6 45	.....	.....	5 57	.....	.....
11	Landers 12	f 6 30	f 8 00	f10 18	.....	f 1 46	f 3 30	f 5 00	.....	f 6 52	.....	.....	f 6 04	.....	7 00
12	Ashburn 17	f 6 35	f 8 04	f10 22	.....	f 1 51	f 3 35	f 5 05	h 6 03	f 6 57	.....	.....	f 6 11	.....	7 15
15	Oak Lawn	6 41	a 8 10	10 28	.....	1 56	3 41	5 10	.....	7 03	f10 02	d12 24	6 16	.....	7 26
16	Chicago Ridge	6 46	a 8 14	10 33	.....	2 03	3 46	5 16	.....	7 08	f10 06	.....	6 20	.....	7 36
18	Worth	6 50	a 8 17	10 37	.....	2 07	3 51	5 20	.....	7 12	.....	.....	6 25	.....	7 45
20	Palos Springs	6 54	.....	10 42	.....	2 12	3 56	5 27	.....	7 17	.....	.....	6 27	.....	.....
21	Palos Park	6 57	f 8 21	10 45	.....	2 15	3 59	5 27	.....	7 20	.....	.....	6 30	.....	.....
24	Orland	7 13	8 32	10 55	.....	2 25	4 13	5 36	.....	7 35	.....	f12 37	6 40	.....	8 32
27	Alpine	AM	f 8 36	AM	.....	PM	PM	5 44	.....	PM	.....	.....	PM	.....	9 10
30	Marley	.....	8 44	.....	.....	.....	.....	5 52	.....	.....	.....	.....	.....	.....	f 9 22
34	New Lenox	.....	f 8 50	.....	.....	.....	.....	6 00	.....	.....	.....	.....	.....	.....	.....
34	Steele	.....	.....	.....	.....	.....	.....	f 6 05	.....	.....	.....	.....	.....	.....	9 55
35	Brisbane	.....	.....	.....	.....	.....	.....	f 6 10	.....	.....	.....	.....	.....	.....	10 45
40	Manhattan 17	.....	9 00	.....	12 47	.....	.....	6 41	6 53	.....	f10 53	f 1 01	.....	.....	11 35
47	Symerton	.....	f 9 11	.....	.....	.....	.....	6 56	.....	.....	.....	.....	.....	.....	.....
51	North Ritchie	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	12 15
55	Custer Park	.....	9 30	.....	.....	.....	.....	7 04	.....	.....	.....	.....	.....	.....	.....
56	Horse Creek	.....	.....	.....	.....	.....	.....	f 7 05	.....	.....	.....	.....	.....	.....	1 12
60	Essex	.....	9 39	.....	.....	.....	.....	7 12	.....	.....	f11 28	.....	.....	.....	1 46
67	Reddick	.....	9 49	.....	.....	.....	.....	7 22	.....	.....	.....	.....	.....	.....	2 06
71	Cardiff	.....	9 56	.....	.....	.....	.....	7 30	.....	.....	.....	.....	.....	.....	2 20
73	Campus	.....	10 00	.....	.....	.....	.....	7 34	.....	.....	.....	.....	.....	.....	2 45
77	Emington	.....	10 08	.....	.....	.....	.....	7 41	.....	.....	.....	.....	.....	.....	3 05
83	Saunemin 17	.....	10 18	.....	1 43	.....	.....	7 51	7 47	.....	f12 10	.....	.....	.....	3 35
88	Wing	.....	f10 26	.....	.....	.....	.....	7 58	.....	.....	.....	.....	.....	.....	4 00
93	Forrest 13, 17 { Ar.	.....	10 35	.....	2 00	.....	.....	8 05	8 05	.....	12 30	2 15	.....	AM	4 35
	{ Lv.	.....	10 40	.....	2 10	.....	.....	PM	8 10	.....	12 40	2 20	.....	7 15	PM
100	Strawn	.....	10 52	.....	.....	.....	.....	.....	8 22	.....	.....	.....	.....	7 45	.....
105	Sibley	.....	11 01	.....	2 30	.....	.....	.....	8 30	.....	f 1 04	.....	.....	8 25	.....
110	Garber	.....	f11 09	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	8 45	.....
113	Gibson	.....	11 15	.....	2 45	.....	.....	.....	8 44	.....	1 19	2 51	.....	9 10	.....
117	Proctor	.....	f11 21	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	9 50	.....
121	Foosland	.....	11 27	.....	f 2 58	.....	.....	.....	8 58	.....	f 1 31	.....	.....	10 15	.....
124	Lotus	.....	11 32	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	10 35	.....
126	Osman	.....	f11 35	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	10 55	.....
128	Blue Ridge	.....	f11 39	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	11 15	.....
132	Mansfield	.....	11 46	.....	3 14	.....	.....	.....	9 13	.....	1 51	.....	.....	12 24	.....
137	Galesville	.....	f11 54	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	12 [illegible]	.....
140	Lodge	51. Ex. Sun.	11 59	.....	.....	.....	7. Daily.	.....	9 26	5. Daily.	2 07	.....	71. Ex. Sun.	1 [illegible]	.....
146	Monticello	12 10	.....	.....	3 40	.....	.....	.....	9 38	.....	2 18	3 35	.....	1 [illegible]	.....
153	Bement 10, 14 { Ar.	AM	12 30	.....	3 55	.....	PM	.....	9 50	PM	2 35	3 48	PM	3 03	.....
	{ Lv.	9 40	12 37	.....	4 00	.....	5 05	.....	9 51	10 19	2 38	3 50	12 [illegible]	PM	.....
157	Milmine 10	9 50	f12 40	.....	.....	.....	f 5 12	.....	.....	.....	.....	.....	[illegible]	.....	.....
161	Cerro Gordo 10	9 59	12 48	.....	.....	.....	5 22	.....	10 06	.....	f 2 55	.....	[illegible]	71. Freight. Ex. Sun.	.....
165	Oakley 10	10 08	f12 56	.....	.....	.....	f 5 31	.....	.....	.....	.....	.....	f 3 45		.....
168	Sangamon 10	f10 13	f 1 03	51. Daily.	.....	9. Daily.	f 5 38	1. Daily.	.....	.....	.....	.....	f 4 00		.....
172	East Decatur 10	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	4 27		.....
173	Decatur 10, 11, 14 { Ar.	10 25	1 15	AM	4 21	AM	5 52	PM	10 30	10 50	3 18	4 20	PM	AM	.....
	{ Lv.	AM	PM	6 40	4 36	11 15	5 53	4 55	PM	10 55	3 50	4 35		7 25	.....
177	Knights 10	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	f 7 50	.....
181	Boody 10	.....	.....	6 55	.....	.....	6 08	.....	.....	.....	.....	.....	.....	8 10	.....
187	Blue Mound 10	.....	.....	7 05	.....	.....	6 19	.....	.....	.....	.....	.....	.....	8 50	.....
193	Stonington 10	.....	.....	7 15	.....	.....	6 30	.....	.....	.....	.....	.....	.....	9 30	.....
197	Willeys 10	.....	.....	f 7 21	.....	.....	f 6 37	.....	.....	.....	.....	.....	.....	f10 00	.....
202	Taylorville 10	.....	.....	7 32	5 13	11 52	6 49	5 30	.....	11 40	4 40	5 27	.....	11 52	.....
207	Clarksdale 10	.....	.....	7 42	.....	.....	6 58	.....	.....	.....	.....	.....	.....	12 [illegible]	.....
210	Palmer 10	.....	.....	7 49	.....	.....	7 07	.....	.....	.....	.....	.....	73. Freight. Ex. Sun.	12 [illegible]	.....
214	Morrisonville 10	.....	.....	7 58	.....	.....	7 14	.....	.....	.....	.....	.....	[illegible]	1 [illegible]	.....
220	Harvel 10	.....	.....	8 09	.....	.....	7 25	.....	.....	.....	.....	.....	[illegible]	2 [illegible]	.....
223	Raymond 10	.....	.....	8 15	.....	.....	7 31	.....	.....	.....	.....	.....	[illegible]	2 [illegible]	.....
228	Honey Bend 10	.....	.....	8 26	.....	.....	f 7 44	.....	.....	.....	.....	.....	AM	f 3 [illegible]	.....
234	Litchfield 10	.....	.....	8 39	5 55	12 33	7 58	6 19	.....	12 28	5 40	6 18	8 39	4 [illegible]	.....
242	Mount Olive 10	.....	.....	8 55	e 6 05	.....	8 19	.....	.....	.....	.....	e 6 31	10 30	PM	.....
248	Staunton 10	.....	.....	9 08	e 6 14	.....	8 29	.....	.....	.....	.....	e 6 40	11 50	.....	.....
254	Worden 10	.....	.....	9 24	.....	.....	8 [illegible]	.....	.....	.....	.....	e 6 50	12 [illegible]	.....	.....
258	Carpenter 10	.....	.....	9 32	.....	.....	f 8 [illegible]	.....	.....	.....	.....	.....	1 [illegible]	.....	.....
265	Edwardsville Junc. Ar.	.....	.....	9 45	6 40	1 10	8 48	.....	.....	.....	.....	7 10	2 30	.....	.....
267	Edwardsville 10, 20 { Ar.	.....	.....	9 54	6 50	1 17	8 [illegible]	.....	.....	.....	.....	7 15	.....	.....	.....
	{ Lv.	.....	.....	9 30	6 30	1 00	8 35	.....	.....	.....	.....	7 00	.....	.....	.....
265	Edwardsville Junc. Lv.	.....	.....	9 45	6 40	1 10	8 48	.....	.....	.....	.....	7 10	2 30	.....	.....
269	Poag 10	.....	.....	9 55	.....	.....	f 8 [illegible]	.....	.....	.....	.....	.....	[illegible]	.....	.....
273	Mitchell 10	.....	.....	10 04	.....	.....	f 9 [illegible]	.....	.....	.....	.....	.....	[illegible]	.....	.....
275	Nameoki 10	.....	.....	f10 10	.....	.....	f 9 [illegible]	.....	.....	.....	.....	.....	[illegible]	.....	.....
278	Granite City 10	.....	.....	10 17	.....	.....	f 9 17	.....	.....	.....	.....	.....	[illegible]	.....	.....
280	Venice 10	.....	.....	10 22	Via Merchants Bridge.	.....	f 9 [illegible]	Via Merchants Bridge.	.....	.....	Via Merchants Bridge.	Via Merchants Bridge.	[illegible]	.....	.....
282	Brooklyn 10	.....	.....	f10 27	.....	.....	f 9 [illegible]	.....	.....	.....	.....	.....	[illegible]	.....	.....
283	East St. Louis 10	.....	.....	10 34	.....	1 40	9 [illegible]	.....	.....	1 40	.....	.....	[illegible]	.....	.....
284	Washington Avenue	.....	.....	b10 44	b 7 30	.....	b 9 [illegible]	.....	.....	.....	b 7 23	b 7 54	.....	.....	.....
286	St. Louis ..... Ar.	.....	.....	10 54	7 33	2 00	10 00	7 45	.....	2 00	7 33	8 04	.....	.....	.....
				AM	PM	PM	PM	PM	PM	AM	AM	AM	PM	PM	PM

REFERENCE MARKS.—a Stops on signal for passengers for stations south of Orland. b Stops to let off passengers. c Stops on signal to receive passengers for St. Louis or to let off passengers from Chicago. d Will stop on Thursdays and Saturdays to let off passengers from Chicago. e Will stop on signal to take on passengers for St. Louis or to let off passengers from Decatur or stations north or east of Decatur. f Stops on signal. g Stops on Saturday to let off passengers from Chicago. h Stops only to take on passengers going to points south of Orland where this train makes regular stops.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

DAILY TOURIST SLEEPING CARS TO CALIFORNIA

VIA

WABASH, UNION PACIFIC

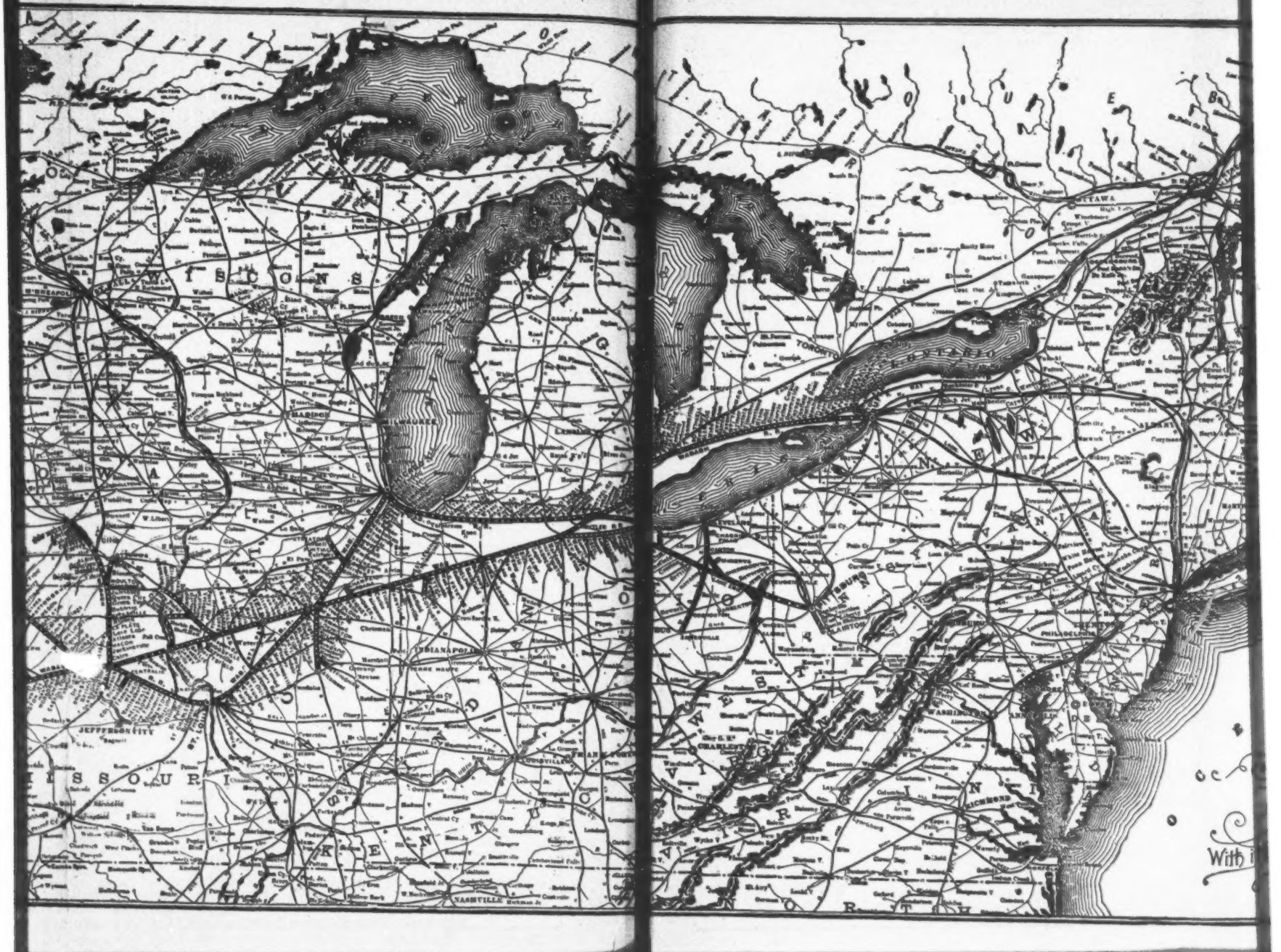
AND

SALT LAKE ROUTE.

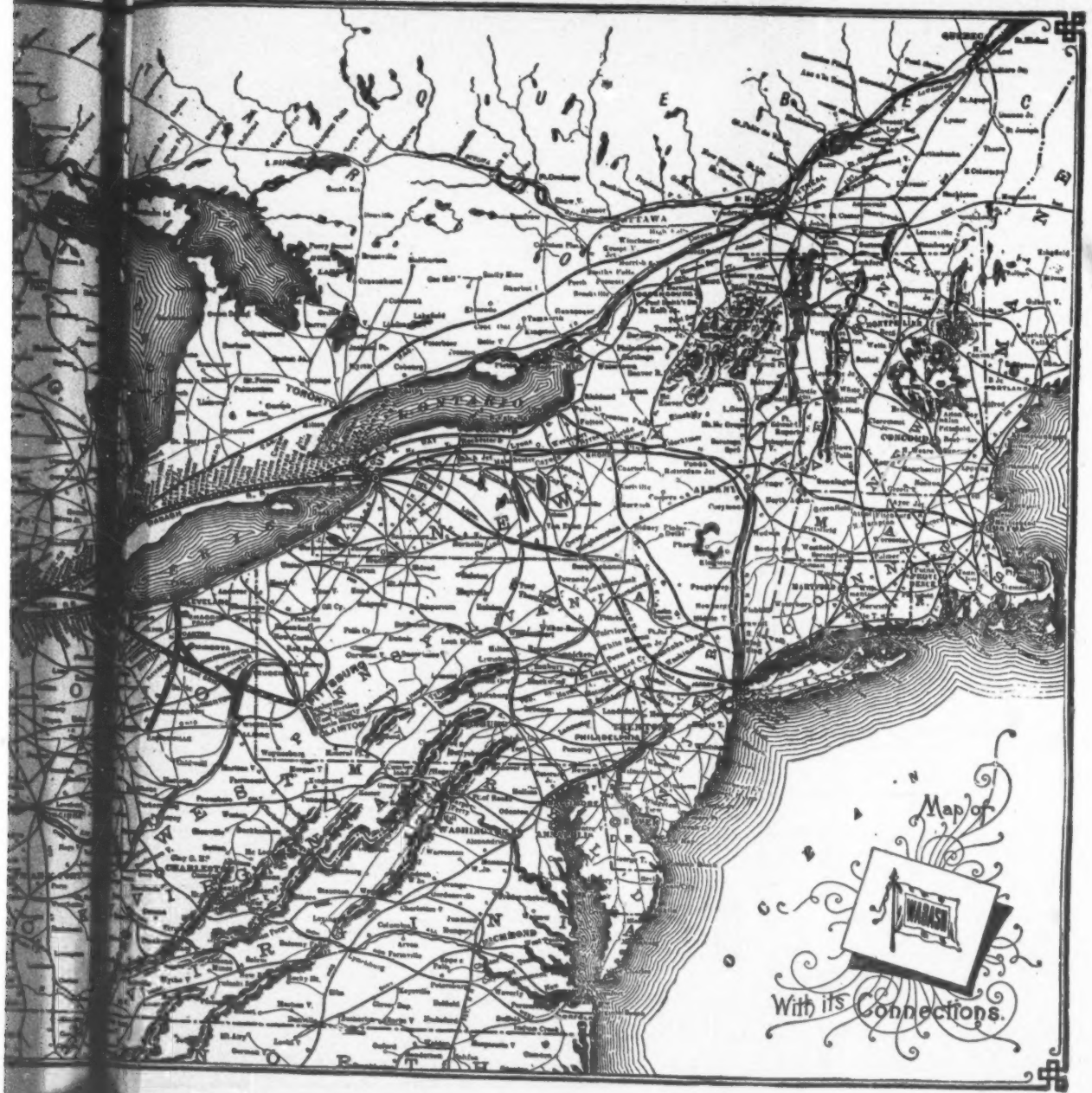
Detailed schedule of this service can be found on page 56 of this folder.

Map of Wabash System

Map of Wabash System and Connecting Lines.



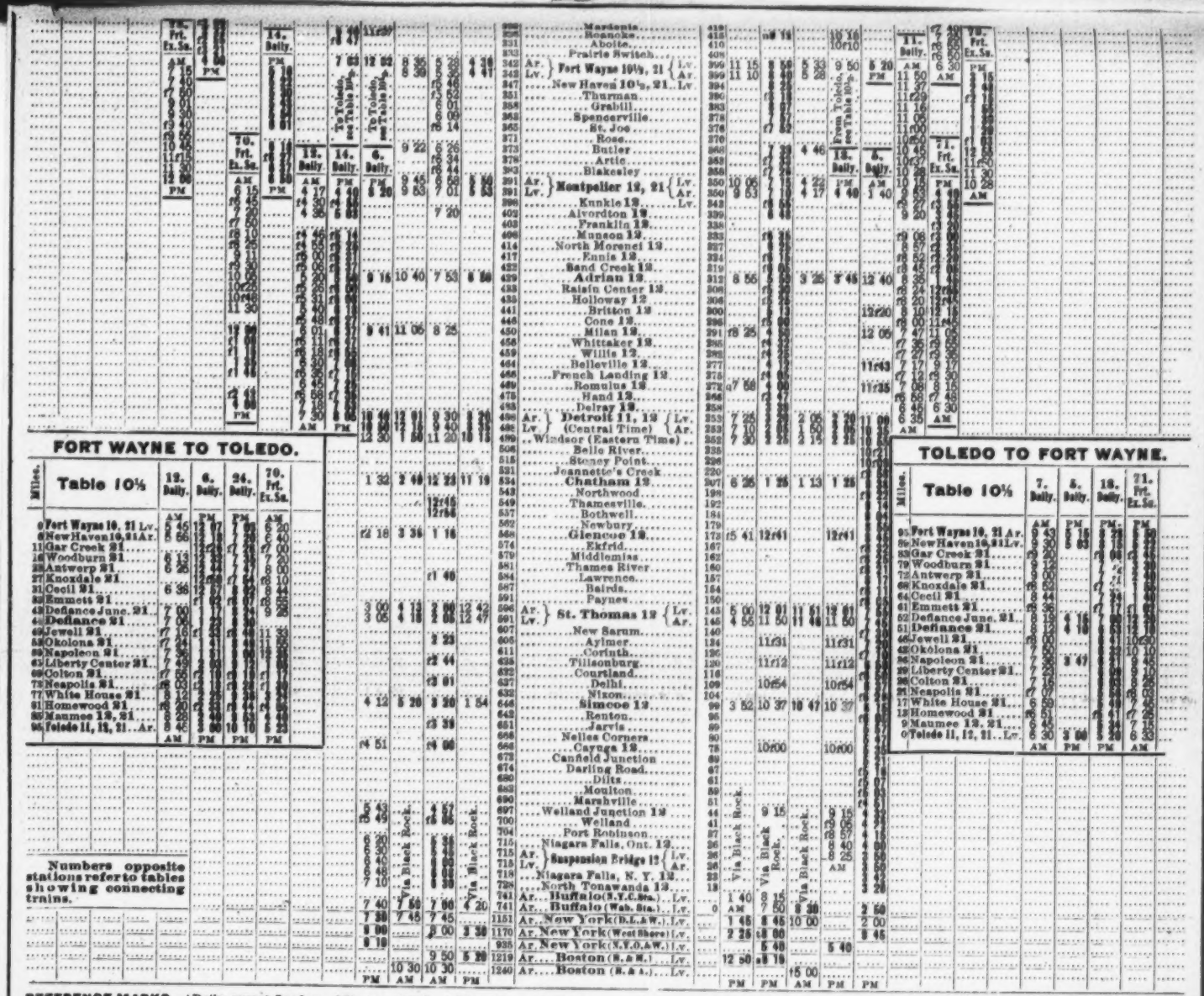
...nd Connecting Lines.



St. Louis, Detroit, Buffalo, New York and Boston.

Read Down — Read Up.

Miles	7. Frt. Ex. Sa.	72. Frt. Ex. Sa.	10. Ex. Sa.	12. Daily.	50. Daily.	50. Ex. Sa.	14. Daily.	24. Daily.	6. Daily.	18-8. Daily.	9. Daily.	4. Daily.	Miles.	Table 10	Miles.	1. Daily.	3-18-3 Daily.	9. Daily.	7. Daily.	8. Daily.	51. Ex. Sa.	18-8. Daily.	15. Daily.	11. Daily.	51. Daily.	17. Ex. Sa.	73. Frt. Ex. Sa.	71. Frt. Ex. Sa.	
	PM	AM	AM	PM	PM	PM	AM	AM	AM	PM	PM	AM				PM	AM	PM	PM	AM	AM		AM	AM	AM	PM	PM	PM	
0				5 17	4 34		11 30	6 30	2 30	11 47	8 38	8 30	0	Lv. St. Louis Ar.	741	7 45	7 33	2 00	10 00	2 00		7 33	8 04	7 20	10 54				
2					4 44			6 40			Via Merchants Bridge.		2	Washington Avenue	739		7 23		10 00			7 23	7 54	7 30	10 44				
4		6 54		8 35	4 54			6 48	2 46				4	Brooklyn, 8, 9	737			1 40	9 40	1 40					10 34				
5		7 10			5 02								5	Venice 8, 9	736				9 25						10 27		5 22		
9		7 34		48 47	5 12			7 02			58 57	58 57	9	Granite City 8, 9	733				9 17						10 17		4 16		
10		8 00			5 22			7 10					10	Nameoki 8, 9	731				9 10						10 10		3 44		
13		8 20			5 32			7 20					13	Mitchell 8, 9	729				9 03						10 04		3 34		
17		8 45			5 45			7 36					17	Pogg 8, 9	724				8 53						9 45		3 20		
20		9 11		10 06	6 00		12 17	7 55		12 33	9 14		20	Ar. Edwardsville Junc. Lv.	721			1 10	8 48			7 10	8 48		9 45		2 50		
22					6 20		12 25	7 45			8 20		22	Ar. Edwardsville. Lv.	723			1 00	8 35			7 00	8 33		9 30				
22					6 25		12 57	7 20			8 35		22	Lv. 8, 9, 20. Ar.	723			1 17	8 20			7 15	8 56		9 54				
30		9 45		10 06	6 40		12 17	7 36		12 33	9 14		30	Lv. Edwardsville Junc. Ar.	731			1 10	8 48			7 10	8 40		9 45		2 30		
28		10 30			6 54			7 50					28	Carpenter 8, 9	712				8 31						9 32		2 00		
32		11 15		10 36	7 06			8 00					32	Worden 8, 9	709				8 20						9 24		12 50		
38		12 17		10 48	7 17		12h28	8 14		12h59			38	Staunton 8, 9	703				8 07			8h50	8h40	h8 14	9 09		12 30		
43				10 58	7 29		12h46	8 26		b1 08		r9 36	43	Mount Olive 8, 9	698				7 55			8h31	h8 03	h8 03	8 56		12 00		PM
53		2 25		11 04	8 02			8 47	3 57	1 28	10 03	9 50	53	Litchfield 8, 9	688	8 10	5 40	12 33	7 44	12 28		5 40	6 18	5 56	8 43		8		4 25
57		PM			7 12			8 57					57	Honey Bend 8, 9	684				7 44						8 16		AM		
63					7 18			9 07					63	Raymond 8, 9	678				7 34						8 09				
66					7 24			9 14					66	Harvel 8, 9	675				7 28						8 03				
72					7 33			9 23					72	Morrisonville 8, 9	669				7 19						7 56				
76					7 41			9 30					76	Palmer 8, 9	665				7 13						7 49				
79					7 47			9 36					79	Clarksdale 8, 9	662				7 07						7 42				
84				12 00	8 00		1 42	9 48	4 40	2 16	10 46	10 29	84	Taylorville 8, 9	657	5 36	4 40	11 52	6 57	11 40		4 40	5 27	5 13	7 31		11		
89					8 10			10h00					89	Willeys 8, 9	653				6 47						7 21		10h00		
93					8 16			10 07					93	Stonington 8, 9	648				6 41						7 15				
98					8 24			10 18					98	Blue Mound 8, 9	643				6 33						7 07				
104					8 41			10 28					104	Boody 8, 9	637				6 23						6 56				
109		76. Frt. Ex. Sa.											109	Knights 8, 9	632														71. Frt. Ex. Sa.
112			AM	12 45	9 00	PM	2 25	10 45	5 20	3 05	11 26	11 05	112	Ar. Decatur Lv.	629	4 55	3 50	11 15	5 55	10 58	AM	3 50	4 35	4 18	6 40	PM		21. Ex. Sa.		
113			11 15	12 55	PM	3 35		11 20	5 25	3 18	11 30	11 10	113	8, 9, 14, 15. Ar.	629	4 55	3 40	11 10	5 55	10 58	10 25	3 18	4 20	4 31	AM	10 30	1 15	AM	PM
118			AM										118	East Decatur 8, 9	628														
117			11 24					11 30					117	Sangamon 8, 9	624				6 38		10 13						11 03		8 00
120			11 30					11 36					120	Oakley 8, 9	621				6 31		10 08						12 53		7 53
124			11 36	1 16				11 42					124	Cerro Gordo 8, 9	617				6 25		10 02				10 06		12 43		7 43
129			11 42					11 48					129	Milmine 8, 9	613				6 19		9 58						12 37		7 37
133			11 50	1 32			3 00	11 56	5 53		12 03		133	Ar. Bement 8, 9, 14 Lv.	608		3 06		6 13	10 18	9 40	3 38	3 50	4 00		5 51		12 27		7 27
133			AM	AM	PM																		AM	AM	PM		PM			
139													139	Ivesdale	608		3 06				9 40		From Chicago, see Table 4.	From Chicago, see Table 4.	From Chicago, see Table 4.					
146													146	Sadorus	595						9 17								
150											12 29	12 02	150	Tolono	591	4 00	2 36	10 22	4 31	9 53	9 07								
156													156	Philo	586				4 21		8 56								
160												12 18	160	Lv. Sidney 14, 15 Lv.	581	3 47		10h08	4 12		8 45								
172													172	Ar. Champaign 15 Lv.	568			10 00			10 00								
172													172	Lv. Champaign 15 Ar.	593			10h50			10 50						77. Frt. Ex. Sa.		
167													167	Lv. Homer Lv.	574				3 56		9 20								8 00
173													173	Fairmount	568				3 45		9 11								7 52
180													180	Catlin	561						9 01								7 06
184													184	Tilton	557						8 56								6 10
186													186	Ar. Danville 14 Lv.	555	3 14	1 30	9 34			8 50								AM
186													186	Lv. Danville 14 Ar.	555	3 14	1 30	9 34			8 50								
187													187	Danville Junction	554	3 07	1 26	9 26			8 43								
194													194	State Line	547						8 36								
197													197	Johnsonville	544						8 29								
199													199	Marshfield	543						8 19								
203													203	West Lebanon	536		12h57				8 19								
208													208	Williamsport	533		12h46				8 10								
211													211	Ar. Attica 16 Lv.	530	2 38	12 38	8 46	2 10	8 21	7 03								
														Ar. Mudlavia Lv.		2 05		8 01			7 38								
														Lv. Mudlavia Ar.		1 55		8 01			8 12								
211													211	Lv. Attica 16 Ar.	530	2 38	12 38	8 46	2 10	8 21	7 03				8 46				
216													216	Riverside Lv.	526				2 01		6 56				8 16				
225													225	West Point	518				1 51		6 46				8 06				
225													225	Wea	516				1 42		6 42				7 57				
233													233	Shadeland	513				1 37		6 38				7 52				
233													233	Ar. LaFayette Lv.	508	1 57	12 04	8 16	1 22	7 48	6 30		PM						
241													241	Lv. LaFayette Ar.	508	1 54	11 58	8 13	1 22	7 48	AM		1 05						
244													244	Buck Creek Lv.	500				1 10				12 49						
249													249	Colburn	497				1 03				12 42						
256													256	Delphi	492	1 27	11 38	7 50	12 51	7 25			12 25						
261													261	Rockfield	485				12 40				12 15						
264													264	Burrows	481				12 33				12 08						
270													270	Clymers	477				12 27				12 02						
279													279	Logansport	471	12 55	10 57	7 20	12 13	6 57			11 48						
284													284	New Waverly	463				11 57				11 32						
287													287	West Peru	457														
295													295	Ar. Peru Lv.	456	12 17	10 28	6 51	11 45	6 33			11 20						
295													295	Lv. Peru Ar.	456	12 14	10 28	6 48	11 27	6 33			11 20						
304													304	Rich Valley Lv.	447				11 22				11 00						
309													309	Wabash Ar.	443	12 14	10 01	6 29	11 12	6 11			10 45						
309													309	Legro	436				11 01				10 00						
311													311	Andrews Yard	430														
312													312	Andrews	429				10 53				9 53						
318													318	Huntington	423	11 50		6 04	10 39	5 46			9 39						



FORT WAYNE TO TOLEDO.

Miles.	Table 10½	12. Daily.	6. Daily.	24. Daily.	70. Frt. Ex. Sa.
		AM	PM	PM	AM
0	Fort Wayne 10, 21 Lv.	5 45	12 07	7 00	6 20
6	New Haven 10, 21 Ar.	5 56	12 18	7 10	6 40
11	Gar Creek 21		12 25	7 16	7 00
16	Woodburn 21	6 13	12 42	7 33	7 20
23	Antwerp 21	6 26	12 55	7 47	8 00
27	Knoxdale 21		1 00	7 54	8 10
31	Cecil 21	6 36	1 10	8 03	8 44
33	Emmett 21		1 17	8 10	8 55
43	Defiance June. 21	7 00	1 31	8 24	9 26
44	Defiance 21	7 06	1 37	8 30	
49	Jewell 21	7 16	1 47	8 40	11 33
53	Okolona 21	7 24	1 55	8 48	11 50
58	Napoleon 21	7 35	2 06	8 59	12 10
63	Liberty Center 21	7 45	2 16	9 09	
66	Colton 21	7 55	2 26	9 19	
73	Neapolis 21	8 03	2 34	9 27	
77	White House 21	8 12	2 43	9 36	
81	Homewood 21	8 20	2 51	9 44	
85	Maumee 12, 21	8 28	2 59	9 52	
95	Toledo 11, 12, 21 Ar.	8 45	3 00	10 10	5 23
		AM	PM	PM	PM

Numbers opposite stations refer to tables showing connecting trains.

TOLEDO TO FORT WAYNE.

Miles.	Table 10½	7. Daily.	5. Daily.	18. Daily.	71. Frt. Ex. Sa.
		AM	PM	PM	PM
95	Fort Wayne 10, 21 Ar.	9 43	5 15	3 73	5 19
89	New Haven 10, 21 Lv.	9 30	5 03	3 73	5 00
83	Gar Creek 21	9 20		3 06	4 46
79	Woodburn 21	9 12			4 30
72	Antwerp 21	9 00		2 41	4 20
68	Knoxdale 21	8 52		2 34	4 10
64	Cecil 21	8 44		2 26	4 00
61	Emmett 21	8 36		2 19	3 50
52	Defiance June. 21	8 19	4 15	2 02	3 33
51	Defiance 21	8 12	4 18	1 55	3 26
46	Jewell 21	8 02		1 45	3 16
42	Okolona 21	7 53		1 36	3 10
36	Napoleon 21	7 38	3 47	1 21	2 45
29	Liberty Center 21	7 28		1 11	2 30
26	Colton 21	7 16		1 00	2 20
21	Neapolis 21	7 07		12 51	2 05
17	White House 21	6 59		12 43	1 55
13	Homewood 21	6 51		12 35	1 46
9	Maumee 12, 21	6 42			1 35
0	Toledo 11, 12, 21 Lv.	6 30	3 30	3 20	1 20
		AM	PM	PM	AM

REFERENCE MARKS.—† Daily, except Sunday. ‡ Stop on signal. a Will stop on signal to receive passengers for Danville or points east. b Will stop on signal to let off passengers from St. Louis. d Will stop on signal to receive passengers for points east or north of Decatur. g Stops on signal to receive passengers for St. Louis or to let off passengers from Decatur or stations north or east. h Will stop on signal to receive passengers for St. Louis or to let off passengers from Chicago. k Will not stop on Sunday. n Stops to leave passengers. q Stops on signal to take on passengers for stations west of Montpelier. r Stops on Sunday. s Leaves 4.30 p. m. on Sunday. t Leaves 6.00 p. m. on Sunday.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

Kansas City, Quincy, Hannibal, Keokuk, Buffalo, New York and Boston.

Read Down. | Read Up.

70. Freight. Ex. Sun.	88. Daily.	8. Daily.	2. Daily.	22. Ex. Sun.	4. Daily.	Miles.	Table 11	Miles.	8. Daily.	23. Ex. Sun.	9. Daily.	1. Daily.	38. Daily.	71. Freight. Ex. Sun.
AM	PM	PM	PM	AM	AM				AM	PM	PM	PM	AM	PM
		6 10				0	Lv. Kansas City 1, 2, 3, 7 Ar.	330			9 30			
		9				90	Brunswick 1, 6, 7	249			7 12			
		9				129	Moberly 1, 3, 6, 7	210			6			
		10				155	Paris	184			5			
		10				177	Monroe	162			4 46			
		10				199	Ar. Hannibal 18, 19 Lv.	140			4 10			
	3 00	10 40	5 20		5 00	0	Lv. Quincy 19 Ar.	159	10 50		5 00	10 40	12 25	
	f 3 18	f10 55	f 5 33		f 5 15	7	Marble Head	153	f10 32		f 4 43	f10 22	f12 07	
	f 3 26	f11 09	f 5 39		f 5 20	10	Bluff Hall	150	f10 27		f 4 38		f12 01	
	f 3 32	f11 07	f 5 43		f 5 25	13	Fall Creek	147	f10 22		f 4 33	f10 12	f11 58	
	3 55	11 23	6 00		f 5 44	19	Ar. Hannibal 18, 19 Lv.	140	10 05		4 15	9 50	11 35	
6 45	PM	11 28	6 05		6 00	199	Lv. Hannibal 18, 19 Ar.	140	10 00		4 05	9 45	PM	
6 55		h	6 15		6 09	200	East Hannibal	139	9 50		3 51			
f 7 00		h	f 6 17		f 6 11	201	Shepherd	138	f 9 48			f 9		
f 7 05		h				202	Aladdin	137						
7 25		h	6 31		6 21	208	Hulls	130	9 36					
7 40		h	6 40		6 28	211	Kinderhook	128	9 30					
8 30		h	6 54		6 40	218	Barry	121	9 19					
f 9 10		h	f 7 02		f 6 46	222	Hadley	117	f 9 10		f 3 10	f 8 57		
f 9 20		h				224	Arden	115						
9 35		h	7 16		6 55	226	Baylis	113	9 00					
9 50		h	7 24		7 02	229	New Salem	109	8 52					
10 05		h	7 32		7 08	233	Ar. Maysville 19 Lv.	107	8 45					
			7 50		7 25	238	Ar. Pittsfield 19 Lv.	113	8 20					
			7 10		6 45	238	Lv. Pittsfield 19 Ar.	113	9 05					
10 05			7 33		7 08	232	Lv. Maysville 19 Ar.	107	8 45					
10 20	72.		7 41		7 14	235	Griggsville	103	8 36					
10 45	Freight.		7 52		7 23	240	Valley City	98	8 21					
11 00	Ex. Sun.		8 02		7 32	245	Naples	94	8 08					
11 15	AM	12 52	8 15	AM	7 42	249	Ar. Bluffs Lv.	90	7 57	PM				
	7 00		4 45	9 10		0	Lv. Keokuk Ar.	166	11 05	6 05			5 10	
	7 10		4 55	9 20		1	Hamilton	165	10 55					
	7 40		5 06	9 33		8	Elvaston	158	10 40					
	8 07		5 22	9 45		13	Carthage	153	10 30					
	8 32		5 33	9 56		18	Bentley	148	10 18					
	8 52		5 42	10 09		22	Denver	144	10 09					
	9 15		5 52	10 22		27	Bowen	139	9 59					
	f 9 47		6 07	10 35		33	Chatton	133	9 47					
	10 15		6 09	10 45		36	Golden	130	9 41					
	f10 35	f 6 16	f10 53			29	Blacks	127	f 9 34	f				78-77.
	11 05		6 27	11 05		42	Ar. Clayton Lv.	124	9 25					Freight.
			5 15			0	Lv. Quincy 19 Ar.	151	10 25					Ex. Sun.
	7 35		5 00			22	Camp Point	129	9 40					AM
	7 50		6 20			28	Ar. Clayton Lv.	124	9 25					7 15
	11 50		6 20	11 10		42	Lv. Clayton Ar.	124	9 20					7 00
	12 20		6 56	11 23		47	Timewell	119	9 10					11 50
	12 55		7 06	11 39		53	Mount Sterling	113	8 59					11 23
	1 10		7 20	11 47		56	Hersman	110	8 53					10 55
	f 1 25	f	f 7 02	f11 57		59	Gilbirds	107	f 8 46	f				10 40
	1 45		7 08	12 07		62	Versailles	104	8 39					f10 25
	2 00		7 18	12 19		66	Perry Springs	100	8 31	f				10 15
	2 27		7 32	12 37		70	Meredosia	96	8 22					9 50
	3 00		7 42	12 47		76	Ar. Bluffs Lv.	90	8 10					9 30
11 45	PM	12 52	8 15	1 05	7 42	249	Lv. Bluffs Ar.	90	f 7 38	10 45	2 10	f 7 25		9 00
f11 59		h	b 8 24	f 1 15	f 7 49	252	Neely's	87	f 7 31	f10 36		f 7 18		10 45
f12 07		h	b 8 34	f 1 20	f 7 55	255	Morgan	84	f 7 26	f10 30				f10 20
12 25	1 04	h	b 8 43	1 28	8 00	256	Chapin	83	7 23	10 25	1 52	7 10		f10 05
f12 42	h	b	b 8 49	1 44	8 09	261	Markham	78	e 7 14	10 14	f 1 44	7 00		9 50
	1 20	h	b 8 56	1 55	8 20	266	Jacksonville	73	7 06	10 04	1	6 50		f 9 20
f 1 47	h		b 8 54	2 00	8 23	267	Jacksonville Junction	72	7 01	9 54	1	6		9 00
f 2 10	h	b	b 9 02	2 10	f 8 31	271	Arnold	68	e 6 54	9 44	f 1	f		f 8 15
2 23	h	b	b 9 08	2 18	8 38	275	Orleans	64	e 6 49	9 36	1	6		f 8 02
2 40	h	b	b 9 13	2 24	8 43	277	Alexander	62	e 6 45	9 30	1	6		7 50
f 2 55	h	b	b 9 20	f 2 34	f 8 51	281	Island Grove	58	e 6 38	f 9 22	f 1	f		7 38
3 35	h	b	b 9 40	3 00	9 00	284	Berlin	55	f 6 33	9 16	1	6		f 7 24
4 00	h	b	b 9 48	3 08	9 07	287	Bates	52	e 6 28	9 07	f12	f		7 14
f 4 20	h	b	b 9 54	3 15	9 15	291	Curran	48	e 6 19	f 8 57	12	5	75.	6 54
f 4 35	h	b	b 9 43	f 3 00	f 9 21	294	Sanger	45	e 6 13	f 8 50	f12	f	Freight.	f 6 40
4 50	h	b	b 9 50	f 3 07	f 9 27	298	Ilex	41	6 06	f 8 44	12	5	Ex. Sun.	6 20
5 05	AM	2 15	10 03	3 16	9 40	300	Ar. Springfield 14 Lv.	39	5 55	8 35	12	5	PM	6 10
PM	6 20	2 16	10 05	3 25	9 45	300	Lv. Springfield 14 Ar.	39	5 50	8 31	12	5	4 40	AM
	f 6 30	h	c	f	a	303	Starne	36	d		f		f	
	7 22	h	c10 18	3 41	a 9 58	307	Riverton	33	d 5 34	8 19	f12 07		f	
	8 11	h	c10 26	3 56	a10 04	311	Dawson	27	d 5 28	8 11	f12 01	f	f	
	8 30	h	c10 29	3 56	a10 09	314	Buffalo	25	d 5 24	8 06	f11 56	f	f	
	9 10	h	c10 35	4 02	a10 14	317	Lanesville	21	d 6 19	8 00	f11 51	f	f	
	9 35	h	c10 44	4 13	a10 22	323	Illiopolis	16	f 5 10	7 51	f11 43	f	f	
	9 55	h	c10 52	4 20	a10 28	327	Niantic	12	d 5 03	7 43	f11 37	f	f	
	10 36	h	c11 05	4 40	10 36	331	Harristown	7	d 4 57	7 34	f11 31	f	f	
	f10 50	h	c11 02	f 4 46	a10 41	334	Wyckles	4	d 4 53	f 7 28	f11 27	f	f	
	11 10	3 10	11 19	4 50	10 50	339	Ar. Decatur 8, 9, 10, 14 Lv.	0	4 45	7 20	11 20	4 33	12	
	AM	8 02	7 17	PM	f 5 15	518	Ar. Chicago Lv.		11 45	AM		11 30	PM	
			8 45		10 10	662	Ar. Toledo 10, 12, 21 Lv.		5 20			AM		
			6 25		7 15	912	Ar. Pittsburg Lv.		6 00					
	12 01		9 30		8 20	714	Ar. Detroit 10, 12 Lv.		3 20		2 05			
	7 50		7 00		4 20	967	Ar. Buffalo Lv.		8 15		8 30			
	7 45		7 45			1377	Ar. New York (E. L. & W.) Lv.		8 45		10 00			
	AM		8 00		3 30	1206	Ar. New York (Fast Shore) Lv.		f 8 00		AM			
			9 50		5 20	1445	Ar. Boston (B. & M.) Lv.		6 19					

Numbers opposite stations refer to tables showing connecting trains.

REFERENCE MARKS.

† Daily, except Sunday. 1 Meals. f Stop on signal.

a Will stop on signal to let off passengers from stations west of Springfield, or to take on passengers for stations east or north of Bement; will stop on signal Sunday.

b Will stop on signal to let off passengers from stations west of Griggsville and Mount Sterling; will also stop to receive passengers for stations east or north of Bement.

c Will stop to let off passengers from west of Bluffs, or to receive passengers for stations east or north of Bement.

d Will stop on signal, week days, to let off passengers from north or east of Bement or to receive passengers for stations west of Bluffs; will stop on signal Sunday.

e Will stop on signal to let off passengers from east or north of Decatur or to receive passengers for west of Mount Sterling; will stop on signal at stations between Springfield and Jacksonville on Sunday.

g Will stop to let off passengers from east or south of Decatur or to receive passengers for west of Springfield.

h Will stop on signal to let off passengers from stations west of Hannibal.

i Leaves 4.30 p. m. on Sunday. l Leaves 6.00 p. m. on Sunday.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

Chicago, Toledo, Detroit, Buffalo, New York and Boston.

Read Down. | Table 12 | Read Up.

78. Freight. Ex. Sun.	72. Freight. Ex. Sun.	74. Freight. Ex. Sun.	8. Daily.	2. Daily.	12. Daily.	6. Daily.	4. Daily.	14. Daily.	Miles.	Table 12	Miles.	1. Daily.	13. Daily.	3. Daily.	5. Daily.	9. Daily.	11. Daily.	73. Freight. Ex. Sun.	75. Freight. Ex. Sun.
PM	AM	AM	AM	AM	PM	PM	PM	AM				PM	PM	PM	AM	AM	AM	PM	PM
					10 32	3 00		11 00	0	Lv. Chicago Ar.	336	3 50	9 30		7 15	10 22			
					10 46	3 16		11 14	5	Forty-seventh Street	331	4 07	9 46		6 57	10 08			3 30
					10 51	3 21		11 19	7	Englewood 8, 9, 17	319	4 32	9 11		6 51	10 03			3 35
		7 30							11	Landers 8, 9	315								1 12
		9 00			11 23	3 50		11 48	21	Hammond	305	3 03	8 40		6 16	9 34			f12 55
		f 9 15			f11 28			f11 53	22	East Chicago	304	f 2 55	f 8 34		f 6 10	f 9 27			f11 15
		f10 30							30	Tolleston	296								11 00
		f11 00			f11 46	f 4 15		f12 11	33	Aetna	293	f 2 35			f 5 48	f 9 00			f10 00
		f12 15							36	Calumet	290								9 35
		1 00			f12 00			f12 26	42	Crocker	284	f 2 20			f 5 30	f 8 45			8 45
		2 00			f12 20			f12 58	55	Westville	271	f 1 52	b 7 35		f 5 08	f 8 20			f 8 05
		f 3 00							63	Magee	263								f 7 15
		f 4 00							65	Kingsbury	261				f 4 52	f 8 00			f 6 50
		f 4 30						f 1 13	72	Dillon	254								6 30
	7 35	5 35			12 55	5 35		1 38	79	North Liberty	247	1 10	7 05		4 30	7 35		4 50	AM
	f 8 00	PM							85	Pine	241							3 45	
	8 30				f 1 13			f 1 57	87	Lakeville	239	f12 59			f 4 15	f 7 17		3 30	
	f 8 50							f 2 35	93	Wyatt	233				f 4 07	f 7 08		3 18	
	9 40				f 1 36			2 16	101	Wakarusa	225	12 28	b 6 34		f 3 55	6 55		f 3 00	
	f10 00								106	Foraker	220					f 6 45		2 18	
	10 20							f 2 35	111	New Paris	215	f12 19	b 6 15			f 6 35		f 1 45	
	f10 40							f 2 41	114	Benton	212					f 6 28		1 15	
	f11 00				3 12	7 37		2 49	118	Millersburg	208	f11 55				f 6 20		f 1 00	
	11 42				3 15			f 3 03	126	Topeka	200	f11 42	b 5 58		f 3 10	6 08		f12 40	
	f12 15				f 3 20				131	Eddy	195							11 42	
	1 00				f 2 17				135	Wolcottville	191	11 25	5 45		2 55	5 50		f11 00	
	f 1 20				f 2 35	7 12		3 20	140	South Milford	186	f11 15				f 5 40		10 25	
	f 1 45							f 3 40	146	Helmer	181	f11 05				f 5 30		f 9 45	
	2 15				3 12	7 37		3 53	150	Ashley-Hudson	176	10 55	5 23		2 25	5 20		f 9 25	
	2 50				3 15				151	Ashley Yard	175				2 20			9 00	
	f 3 00				f 3 20			f 4 00	153	Steubenville	173	f10 45				f 5 15		8 35	
	3 30				f 3 35	f 7 52		f 4 30	159	Hamilton	167	f10 35	b 5 05			f 5 05		f 8 20	
	4 30				f 3 50			f 4 50	167	Edon	159	f10 20	f 4 54			f 4 55		8 03	
	5 35				4 17	8 20	PM	4 45	175	Ar. Montpelier 10, 21 Lv.	351	10 05	4 40		1 40	4 35		7 30	
PM																		6 50	79. Freight. Ex. Sun.
12 00	PM				5 15		8 30		175	Lv. Montpelier 10, 21 Ar.	58	9 47			1 15			AM	AM
12 35					5 29		8 44		184	West Unity 21	49	9 33			12 58				9 00
f 1 00					5 41		f 9 00		191	Elmira	42	9 23			f12 48				f 8 25
f 1 30					f 5 48	f 8 00			194	Eckley	39	f 9 17							f 8 10
2 00					6 00		f 9 06		200	Wauseon	34	9 08			12 31				7 50
f 2 30					f 6 13		f 9 19		207	Delta	26	f 8 57							7 20
f 2 45					f 6 21		f 9 25		211	Brailey	22	f 8 50							f 6 50
f 3 00		70. Freight. Ex. Sun.							216	Midway	17								f 6 29
f 3 15					6 37		f 9 36		221	Monclova	13	f 8 36			f11 57		71. Freight. Ex. Sun.		f 6 05
f 3 45					6 45		9 44		225	Maumee 10½, 21	9	8 28			11 48				5 52
PM		AM	AM	AM	7 00		10 00		232	To'edo Yard	1								5 30
		6 15	9 53	7 01	4 17	8 20	5 53	4 40	233	Ar. Toledo 10½, 11, 21, Lv.	0	8 10		PM	11 30		AM	PM	AM
		f 6 45			f 4 30			f 4 55	175	Lv. Montpelier 10, 21 Ar.	351	9 53	4 40	7 10	1 40	4 17	9 53	4 40	
		7 20		7 20	4 35			5 03	182	Kunkle 10	344			f 7 55			f 9 27	f 4 55	
		f 7 50							186	Alvordton 10	340			8 48			9 20	5 05	
		f 8 10			f 4 46			f 5 14	187	Franklin 10	330							f 5 25	
		f 8 25			f 4 55			f 5 25	193	Munson 10	323			f 8 08			f 9 08	f 5 35	
		9 11			f 5 00			f 5 31	199	North Morenci 10	317			f 8 20			8 57	f 5 40	
		f 9 30			f 5 05			f 5 37	202	Ennis 10	311			f 8 26			f 8 52	f 5 46	
		10 05	10 40	7 53	5 20	9 15	6 50	5 50	207	Sand Creek 10	307			f 8 32			f 8 46	f 5 52	
		f10 25			f 5 26			f 6 00	213	Adrian 10	301	8 55	8 45	9 20	12 40	3 25	8 35	f 6 00	
		f10 48			f 5 31			f 6 05	217	Raisin Center 10	296			f 9 28			f 8 24	f12 55	
		11 30			5 40			6 15	220	Holloway 10	293			f 9 34			f 8 20	f12 45	
					f 5 48			f 6 23	225	Britton 10	288			f 9 42			8 10	12 15	
		12 00	11 05	8 25	6 01	9 41		6 37	230	Cone 10	283			f 9 50			f 8 00	f11 45	
		f 1 00			f 6 11			f 6 47	235	Milan 10	278	f 8 25		9 58	12 05		7 47	11 05	
		f 1 15			f 6 18			f 6 53	241	Whittaker 10	265			f 10 12			f 7 35	f 9 55	
		1 30			6 30			7 05	243	Willis 10	263			f 10 16			f 7 27	f 9 35	
		f 1 45			f 6 35			f 7 10	249	Belleville 10	277			10 30	f11 43		7 17	9 17	
					6 45			7 15	251	French Landing 10	275			f 10 40			f 7 12	f 8 30	
		f 2 42			f 6 58			f 7 27	253	Romulus 10	273	a 7 68		f 10 46	f11 35		7 08	8 15	
		4 00			7 18			7 35	258	Hand 10	266			f 10 51			f 6 58	f 7 48	
		PM	12 01	9 30	7 30	10 40	8 26	8 05	268	Delray 10	258			f 10 56			6 45	6 30	
			12 15	9 40	AM	10 56	8 35	PM	272	Ar. Detroit 10, 11 Lv.	254	7 25	9 20	11 00	2 05		6 35	AM	
			1 50	11 20		12 30			272	Lv. (Central Time) Ar.	254	7 10	9 05	10 45	1 50		AM		
			2 45	12 15		1 32	11 19		273	Windsor (Eastern Time)	253	7 30	9 25	10 45	2 15				
			3 15	1 15		f 2 18			319	Ar. Chatham 10 Lv.	207	6 25	8 20	9 40	1 13				
			4 15	2 15		3 00	12 42		353	Glencoe 10	173	f 5 41	f12 41	f12 41					
			5 20	3 20		4 12	1 54		381	St. Thomas 10	145	6 00	12 01	12 01		11 51			
		f 4		f 4	f 4 51				427	Simcoe 10	99	3 52	10 37	10 37		10 47			
		6		6	5 43				451	Cayuga 10	75		f10 00	f10 00					
		6		6	6 20				482	Welland Junction 10	44		9 15	9 15					
		6		6	6 30				500	Niagara Falls, Ont 10	28								
		6		6	6 48				500	Suspension Brid, e 10	28		8 25						
		7		7	7 10				503	Niagara Falls, N. Y. 10	22								
									513	North Tonawanda 10	13								
		7 50		7 00	7 40		4 20		526	Ar. Buffalo (B. U. C. Station)		1 40		8 15					
		PM		8 00	9 00		3 30		955	Ar. Buffalo (Wabash Station) Lv.	0			7 50	2 50	8 30			
				7 45	7 25				955	Ar. New York (West Shore) Lv.		2 25	e 8 00	e 8 00	9 45				
					9 10				997	Ar. New York (B. L. & W.) Lv.		f 4 00	6 15	6 15	2 00	10 00			
				9 50	PM	5 20			1003	Ar. New York (N. Y. C. & H.) Lv.			5 40	5 40	AM	AM			
									1008	Ar. Boston (B. & M.) Lv.		12 50	d 6 19	d 6 19					

Numbers opposite stations refer to tables showing connecting trains.

Via Black Rock.

To Buffalo on No. 4.

Via Black Rock.

To Buffalo on Nos. 4 or 6.

Via Black Rock.

REFERENCE MARKS.—† Daily, except Sunday. ¶ Meals. f Stop on signal.
a Will stop on signal to take on passengers for stations west of Montpelier. b Will stop on signal to let off passengers from Detroit or to take on passengers for Chicago.
d Leaves 4.30 p. m. on Sunday. e Leaves 6.00 p. m. on Sunday.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

Branch Lines.

FORREST AND STREATOR.

Read Down. Read Up.

72. Freight. Ex. Sun.	34. Ex. Sun.	36. Ex. Sun.	Miles.	Table 13	31. Ex. Sun.	33. Ex. Sun.	75. Freight. Ex. Sun.
AM	PM	AM			PM	PM	PM
.....	5 30	11 30	0	Lv.....Chicago.....Ar.	5 15	.....	.....
.....	8 05	2 00	93	Ar..Forrest 8, 9, 17..Lv.	2 05	.....	.....
6 30	8 12	2 10	0	Lv..Forrest 8, 9, 17..Ar.	9 15	7 [illegible]	5 15
6 55	[illegible]	[illegible]	6	.....Fairbury.....	[illegible]	[illegible]	[illegible]
f 7 20	[illegible]	[illegible]	11	.....Lodemia.....	[illegible]	f [illegible]	[illegible]
7 35	[illegible]	[illegible]	13	.....McDowell.....	[illegible]	[illegible]	[illegible]
8 32	[illegible]	[illegible]	17	.....Pontiac.....	[illegible]	[illegible]	[illegible]
8 55	[illegible]	[illegible]	21	.....Rowe.....	[illegible]	[illegible]	[illegible]
9 15	[illegible]	[illegible]	28	.....Cornell.....	[illegible]	[illegible]	[illegible]
f.....	f.....	f.....	28	...Manhattan Coal Co...	f.....	f.....	f.....
9 35	9 31	3 [illegible]	31	.....Manville.....	7 56	[illegible]	2 40
10 00	9 47	3 45	37	Ar.....Streator.....Lv.	7 40	[illegible]	2 15
AM	PM	PM			AM	PM	PM

BEMENT, EFFINGHAM AND ALTAMONT.

71. Freight. Ex. Sun.	31. Ex. Sun.	Miles.	Table 14	34. Ex. Sun.	76. Freight. Ex. Sun.
AM	PM			PM	PM
.....	3 20	0	Lv.....Danville 10.....Ar.	1 40	.....
.....	4 12	26	.....Sidney 10, 13.....	12 57	.....
.....	5 05	54	Ar.....Bement 8, 9, 10.....Lv.	12 00	.....
.....	9 45	0	Lv.....Springfield 11.....Ar.	12 20	.....
.....	3 35	29	Lv.....Decatur 8, 9, 10, 11.....Ar.	10 25	.....
.....	4 20	59	Ar.....Bement 8, 9, 10.....Lv.	9 40	.....
7 30	5 10	0	Lv.....Bement 8, 9, 10.....Ar.	9 30	[illegible]
7 45	[illegible]	4	.....Voorhies.....Lv.	9 18	[illegible]
8 15	[illegible]	9	.....Hammond.....	9 07	[illegible]
8 52	[illegible]	15	.....Lovington.....	8 52	[illegible]
9 15	[illegible]	19	.....Cushman.....	8 42	[illegible]
10 00	[illegible]	23	.....Sullivan.....	8 32	[illegible]
10 25	[illegible]	29	.....Bruce.....	8 16	f [illegible]
10 50	[illegible]	35	.....Windsor.....	8 01	[illegible]
11 20	[illegible]	41	.....Strasburg.....	7 46	[illegible]
f11 35	[illegible]	44	.....Herborn.....	7 37	f [illegible]
11 45	[illegible]	47	.....Stewardson.....	7 30	[illegible]
12 15	7 23	53	Ar.....Shumway.....Lv.	7 16	[illegible]
.....	7 40	60	Ar.....Effingham.....Lv.	7 00	.....
12 30	.....	58	Ar.....Blue Point.....Lv.	.....	1 45
1 00	.....	63	Ar.....Altamont.....Lv.	.....	1 30
PM	PM			AM	PM

SIDNEY AND CHAMPAIGN.

37. Ex. Sun.	35. Ex. Sun.	33. Ex. Sun.	31. Ex. Sun.	Miles.	Table 15	30. Ex. Sun.	32. Ex. Sun.	34. Ex. Sun.	36. Ex. Sun.
PM	PM	AM	AM			AM	AM	PM	PM
5 15	1 00	10 10	6 45	0	Lv. Sidney 10, 14..Ar.	6 30	8 40	12 10	4 07
f 1 12	f10 22	f 6 57	3	.....Deer's.....	f 6 14	f 8 28	f11 59	.....
f 1 21	f10 31	f 7 07	6	.....Mira.....	f 6 05	f 8 20	f11 50	.....
1 41	10 41	7 17	10	.....Urbana.....	5 55	8 10	11 40	.....
5 55	1 40	10 50	7 30	12	Ar..Champaign 10..Lv.	5 45	8 00	11 30	3 27
PM	PM	AM	AM			AM	AM	AM	PM

ATTICA AND COVINGTON.

37. Accom. Ex. Sun.	35. Accom. Ex. Sun.	Miles.	Table 16	34. Accom. Ex. Sun.	36. Accom. Ex. Sun.
PM	AM			PM	PM
3 00	8 46	0	Lv.....Attica 10.....Ar.	1 30	6 00
3 [illegible]	8 49	1	.....Peacock.....	1 [illegible]	[illegible]
[illegible]	9 11	7	.....Fountain.....	12 45	[illegible]
[illegible]	9 26	11	.....Nebeker's.....	12 [illegible]	[illegible]
[illegible]	9 31	13	.....Shelby's.....	12 [illegible]	[illegible]
4 05	9 46	18	Ar....Covington....Lv.	12 30	5 00
PM	AM			PM	PM

CHICAGO AND PEORIA.

Read Down. Read Up.

15-3. Daily.	17-1. Ex. Sun.	11-5. Daily.	Miles.	Table 17	4-14. Daily.	8-12. Daily.
PM	PM	AM			PM	AM
11 45	5 30	11 30	0	Lv.....Chicago.....Ar.	7 30	7 17
11 58	5 44	11 44	8	.....Forty Seventh St.Lv.	7 18	6 59
12 04	5 49	11 49	7	...Englewood 8, 9, 12...	7 11	6 53
.....	a 6 02	.....	12	.....Ashburn 8, 9.....	.....	6 35
f 1 01	6 53	12 47	40	.....Manhattan 8, 9.....	6 14	5 36
.....	7 47	1 43	83	.....Saunemin 8, 9.....	5 12	f 4 20
2 15	8 05	2 00	93	Ar..Forrest 8, 9, 13..Lv.	4 55	4 00
				Toledo, Peoria & Western R'y.		
4 25	8 07	2 05	93	Lv..Forrest 8, 9, 13..Ar.	4 40	3 00
4 40	8 16	2 15	99	Ar.....Fairbury.....Lv.	4 31	2 43
f 4 57	8 26	2 25	105	.....Weston.....	.....	2 20
5 10	8 35	2 34	110	.....Chenoa.....	4 17	2 05
f 5 22	.....	f 2 42	114	.....Meadows.....	.....	f 1 50
5 34	8 47	2 49	118	.....Gridley.....	4 05	1 35
5 52	8 57	3 01	125	.....El Paso.....	3 55	1 15
6 08	9 08	3 12	132	.....Secor.....	3 44	12 50
6 25	9 18	3 24	139	.....Eureka.....	3 34	12 30
6 30	.....	3 30	141	.....Cruger.....	f12 22	
6 41	9 38	3 40	146	.....Washington.....	3 22	12 07
6 56	9 49	3 54	153	.....Farmdale.....		11 46
7 03			156	.....East Peoria.....		11 39
7 10	9 55	4 05	158	Ar.....Peoria.....Lv.	3 00	11 30
AM	PM	PM			PM	PM

ST. LOUIS AND HANNIBAL.

5. Ex. Sun.	13. Ex. Sun.	Miles.	Table 18	10. Ex. Sun.	2. Ex. Sun.
PM	AM			AM	PM
5 30	7 40	0	Lv.....St. Louis.....Ar.	11 25	6 10
5 44	7 57	6	.....Delmar Avenue 1.....	11 36	5 51
6 09	8 15	12	.....Ferguson 1.....	10 45	5 32
6 22	8 24	16	.....Bridgeton 1.....	10 35	.....
f 6 28	f 8 31	20	.....Bonfils 1.....	f10 26	.....
6 36	8 40	23	.....St. Charles 1.....	10 18	5 17
7 03	9 05	36	.....O'Fallon 1.....	9 47	.....
7 16	9 15	42	Ar.....Gilmore 1.....Lv.	9 35	4 44
			St. Louis & Hannibal Railroad.		
7 21	10 00	42	Lv.....Gilmore 1.....Ar.	9 17	4 29
7 53	10 34	55	.....Moscow.....	8 46	3 45
8 06	10 47	59	.....Troy.....	8 36	3 29
f 8 22	11 06	65	.....Davis.....	f 8 22	f 3 07
8 38	11 24	71	.....Silex.....	8 08	2 50
8 51	11 44	77	.....Whiteside.....	7 54	2 32
8 59	11 57	81	.....Eolia.....	7 45	2 15
f 9 15	f12 17	88	.....Cyrene.....	f 7 28	f 1 54
9 28	12 35	96	.....Bowling Green.....	7 17	1 39
f 9 42	f12 51	101	.....McCune.....	f 7 00	f 1 04
10 03	1 16	109	.....Frankford.....	6 45	12 50
f10 [illegible]	f 1 [illegible]	111	.....Jones.....		f12 17
10 [illegible]	1 45	118	.....New London.....	6 26	12 00
10 [illegible]	2 03	125	.....Oakwood.....	f 6 10	11 26
10 50	2 15	128	Ar.....Hannibal 11, 19.....Lv.	6 00	11 25
PM	PM			AM	AM

MAYSVILLE AND PITTSFIELD.

39. Daily.	37. Daily.	35. Daily.	33. Daily.	31. Daily.	Miles.	Table 19	30. Daily.	32. Daily.	34. Daily.	36. Daily.	38. Daily.
PM	PM	PM	AM	AM			AM	AM	PM	PM	PM
.....	6 30	.....	.....	5 00	0	Lv.....Quincy 11.....Ar.	.....	10 50	5 09	.....	10 40
.....	[illegible]	.....	.....	6 00	19	Lv.Hannibal 11, 18 Ar.	.....	10 00	4 05	.....	9 45
.....	7 [illegible]	.....	.....	7 08	33	Ar...Maysville 11..Lv.	.....	8 45	2 45	.....	8 30
8 25	7 55	2 45	8 50	7 10	53	Lv...Maysville 11..Ar.	7 00	8 35	2 26	7 26	8 26
8 50	7 58	3 00	9 05	7 25	59	Ar...Pittsfield 11..Lv.	6 45	8 20	2 20	7 10	8 10
PM	PM	PM	AM	AM			AM	AM	PM	PM	PM

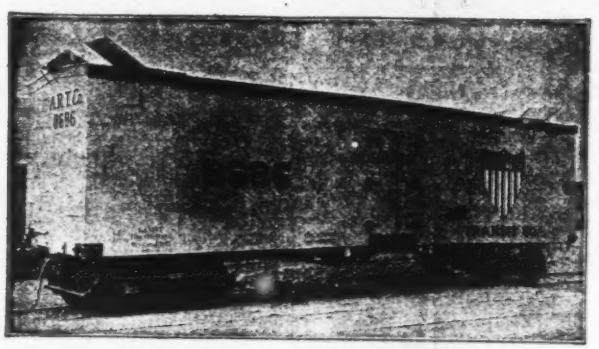
ST. LOUIS AND EDWARDSVILLE.

44. Daily.	42. Daily.	40. Daily.	38. Daily.	36. Daily.	34. Daily.	32. Daily.	30. Daily.	Miles.	Table 20	31. Daily.	33. Daily.	35. Daily.	37. Daily.	39. Daily.	41. Daily.	43. Daily.	45. Daily.
PM	PM	PM	PM	AM	AM	AM	AM			AM	AM	AM	PM	PM	PM	PM	PM
8 30	.....	4 34	.....	11 30	.....	6 30	.....	0	Lv.....St. Louis.....Ar.	8 04	.....	10 54	.....	2 00	.....	7 30	10 00
9 14	.....	5 40	.....	12 17	.....	7 35	.....	20	Ar...Edwardsville June..Lv.	7 10	.....	9 45	.....	1 10	.....	6 48	8 48
9 15	6 45	5 45	1 12	12 20	9 49	7 40	7 1[illegible]	20	Lv...Edwardsville June..Ar.	7 05	7 25	9 35	12 12	1 05	5 25	6 48	8 40
9 29	6 59	5 59	1 17	12 34	9 54	7 45	7 15	22	Ar...Edwardsville 8, 9, 10..Lv.	7 00	7 20	9 30	12 07	1 00	5 20	6 35	8 35
PM	PM	PM	PM	PM	AM	AM	AM			AM	AM	AM	PM	PM	PM	PM	PM

REFERENCE MARKS.—f Stop on signal. a Stops only to take on passengers for points south of Orland where this train stops.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

PROTECTION SUMMER AND WINTER



The American Refrigerator Transit Company operates over Wabash Railroad and its connections.

Large and well equipped concentrating cold storage plants located at Chicago, St. Louis and Kansas City. Only refrigerator line offering these facilities.

Through less than car load service from Chicago, St. Louis, Detroit and Kansas City to principal cities in East, West and Southwest.

For detailed information regarding service, apply to representatives of Freight Department shown on pages 1 and 2, or to H. H. Purcell, General Freight Agent, American Refrigerator Transit Company, St. Louis, Mo.

Chicago, St. Louis, Toledo, Wheeling and Pittsburg.

Read Down. | Table 21 | Read Up.

	75. Freight. Ex. Sun.	6. Daily.	12. Daily.	2. Daily.	6-4-6. Daily.	6. Daily.	Miles		2-5. Daily.	2-12. Daily.	22. Daily.	24. Daily.	5. Daily.	1. Daily.	1-7. Daily.	71. Freight. Ex. Sun.
	AM	AM	PM	PM	AM	PM			AM	AM	AM	PM	AM	PM	PM	PM
			10 32			3 00		Lv. Chicago Ar.	483				7 15	3 10		
		2 30		8 30	8 30		0	Lv. St. Louis Ar.	656	2 00	7 33			7 45	7 45	
		12 02		5 28	4 36		343	Ar. Fort Wayne 10, 10½ Lv.	344	5 28	8 50				11 15	
			4 17			8 20	391	Ar. Montpelier 10, 12 Lv.	308				1 40	10 06		
	6 20	12 07		5 45	7 00		343	Lv. Fort Wayne 10, 10½ Ar.	344	5 15	9 28				9 43	1 26
	6 40	12 18		5 56	7 20		347	New Haven 10½ Lv.	338	5 03	9 15				9 30	1 13
	f 7 00	f12 28			f 7 28		353	Gar Creek 10½	333		f 8 08				f 9 20	f 1 58
	7 20	12 44		6 13	7 35		357	Woodburn 10½	329		7 50				9 12	2 20
	8 00	12 44		6 25	7 47		364	Antwerp 10½	321		7 47				9 00	2 08
	f 8 10	f12 59			f 7 58		368	Knoxdale 10½	318		f 7 37				f 8 52	f 1 58
	8 44	12 59		6 38	8 07		372	Cecil. 10½	314		7 24				8 44	1 46
	f 8 55	f 1 02			f 8 17		376	Emmett 10½	311		f 7 17				f 8 36	f 1 32
	9 05	1 17		7 00	8 24		385	Defiance Junction 10½	302	4 15	7 00				8 19	12 20
		1 23		7 06	8 30		385	Defiance 10½	301	4 10	6 53				8 12	12 10
	11 33	f 1 33		f 7 16	f 8 40		390	Jewell 10½	295		6 41				f 8 00	f10 30
	11 55	1 41		f 7 24	8 49		394	Okolona 10½	291		6 32				7 50	10 10
	12 35	1 51		7 36	9 00		400	Napoleon 10½	286	3 47	6 21				7 36	9 45
	1 05	2 03		7 49	9 12		407	Liberty Center. 10½	279		6 09				7 23	9 10
	f 1 17	f 2 16		f 7 55	f 9 19		410	Colton. 10½	276		6 03				7 16	8 59
	f 1 30	f 2 18		f 8 03	f 9 23		415	Neapolis 10½	271		5 59				f 7 07	f 8 53
	3 24	f 2 25		8 12	9 38		419	White House 10½	267		5 49				6 59	7 45
	f 4 05	f 2 33		f 8 20	f 9 44		423	Homewood 10½	263		5 41				f 6 51	f 7 36
	4 48	2 48		8 29	9 53		427	Maumee 10½, 12	259		5 34				6 45	7 15
	d 5 23	3 00		8 45	10 10		436	Ar. Toledo 10½, 11, 12 Lv.	250	3 00	5 20				6 30	d 6 33
For Montpelier 12, pages 39 and 40	local time between and Toledo, see	Montpelier Table	5 15			3 30	391	Lv. Montpelier 10, 12 Ar.	308				1 15	9 47	AM	AM
			5 29			3 45	400	West Unity 12	299				12 28	9 33		
			7 00			10 00	449	Ar. Toledo 10½, 11, 12 Lv	254				11 30	8 10		
	PM	PM											11 15	AM		
				8 56	10 15		0	Lv. Toledo 10½, 11, 12 Ar.	250	2 50						
			f 9 17				9	Booth Lv.	241	f 2 23						
			f 9 22				12	Curtice	238	f 2 18						
			f 9 26				14	Williston	236	f 2 14						
			f 9 30				17	Trowbridge	232	f 2 07						
			f 9 40				21	Limestone	229	f 1 58						
			9 50				28	Oak Harbor	224	1 48			f10 24			
			f10 04				32	Kingsway	218	f 1 34						
			10 17		a11 27		38	Fremont	212	1 22			10 04			
			10 34				46	Clyde	204	1 13			f 9 50			
			10 50		a11 42		53	Bellevue	197	12 55			f 9 31			
			11 07				61	Monroeville	189	12 40						
			f11 15				64	Norwalk Yard	185							
			11 17		12 15		65	Norwalk	185	12 30			9 17			
			f11 32				72	Hartland	178	f12 16						
			11 40				76	Clarksfield	174	12 07						
			f11 55				82	Brighton	168	f11 55						
			12 05		a 1 05		87	Wellington	163	11 44			f 8 39			
			12 19				94	Spencer	156	11 30			f 8 24			
			f12 30				99	Pawnee	151	f11 22						
			12 38				101	Lodi	149	11 14			f 8 13			
			12 51		2 00		109	Creston	141	10 57			7 58			
			1 09				117	Smithville	133	10 42			f 7 42			
			1 21				123	Orrville	127	10 31			f 7 31			
			1 35				129	Dalton	121	10 18			f 7 18			
			f.				134	Sippo	114	f.						
		82. Daily.	1 54		3 01		138	Massillon 22	112	10 00			7 00			
		AM	2 00		3 10		139	Lv. Columbia Lv.	111	9 55			PM			
		7 00						Lv. Cleveland 22, 24, 26 Ar.		12 35			7 39			
		9 05						Lv. Canton 22, 24, 26 Ar.		10 20			7 05			
		9 45		2 15			145	Lv. Navarre 22, 24 Lv.	105	9 45			6 38			
		9 59		2 29			151	Bolivar	98	9 32			6 15			
		10 07		2 38			155	Zoar	93	9 24			6 07			
		10 13		2 45			159	Valley Junction	91	9 18			6 00			
		f10 17		f 2 49			160	Somerdale	90	9 15			f 5 57			
		f10 23		f 2 55			163	New Cumberland	86	9 08			f 5 49			
		10 33		3 08	4 19		169	Sherrodsville	81	8 58			5 39	5 52		
		f10 42		f 3 13			172	Leesville	78	f 8 51			f 5 31			
		10 47		3 19			175	Bowerston	75	8 45			5 25	c 5 46		
		f10 51					177	Connotton	73				f 5 20			
		10 59		3 33			181	Scio	69	8 33	AM		5 12	c 5 27		
		11 10		3 44	b 4 46		186	Jewett 24	64	8 23	8 13		5 00	5 17		
		11 18		f 3 52	5 00		190	Lv. Pittsburg Junc. Lv.	60	f 8 15	f 8 05		f 4 52	f 5 10		
		12 50		5 35				Ar. Steubenville 22, 23, 24 Lv.		6 05	6 05		3 15	3 15		
		12 46		5 45				Ar. Wheeling 22, 23, 24 Lv.		6 25	6 25		3 25	3 25		
		PM		3 58		f 5 17	193	Lv. Hopedale Lv.	51	8 00	J.		PM	f 5 32		
		PM		f 4 05		f 5 22	193	Young	56	f 8 03	Sunday Only.		f 4 43			
		18. Daily.		f 4 09		f 5 26	201	Smithfield	49	f 7 48			f 4 38			
				f 4 15		f 5 42	206	Ar. New Alexandria Lv.	45	f 7 40	AM		f 4 35			
		AM		3 26				Lv. Wheeling 22, 23, 24 Ar.		8 30	9 20				PM	
		26. Daily.		4 46		5 51	210	Lv. Minco 23 Lv.	40	7 30	8 20		27. Daily.	4 25	5 55	
		AM		f 4 52			212	Rockdale	38						f 6 03	
		11 15		5 02		f 6 11	215	Virginia	35	f 7 19			AM		f 6 13	
		11 20		5 07		6 12	219	Avella	31	7 10	f 8 03		11 00	f 4 05	6 22	
		f.		f.		f.	221	West Middletown	29	f 7 07			f10 55		f 6 28	
		f11 30		f 5 18		f 6 21	223	Rea	28	f.			f.		f.	
		11 40		5 30		f 6 29	224	Woodrow	25	f 6 59			7 53	f10 43		
		11 54		5 47		f 6 41	228	Hickory	22	6 52			7 46	10 33	f 3 45	
							233	Gwendolen	17	f 6 41			7 37	10 18		
							236	Argyle	14							
							237	Gladdens	13					10 07		
			f12 03	5 56			241	Bridgeville	9	6 23			f 7 23	9 57	f 3 19	
			f12 09				243	Lecsdale	7					9 51		
			f12 13	6 02		f 6 07	244	Carnegie	6	6 16			f 7 17	9 46		
			f12 28	6 25		f 6 18	245	Rook	5	f 6 12				9 45		
			12 46	6 40		6 25	250	Ar. Pittsburg 11, 23, 25 Lv.	0	6 00			7 00	9 30	3 06	
	PM	PM	AM	PM		AM				AM			AM	PM	PM	

REFERENCE MARKS.

a Will stop to let off passengers from Pittsburg and to take on passengers for stations west of Orrville.
b Will stop to let off passengers from Pittsburg and to take on passengers for Massillon, Bishop, Acheson and McGregor.
c Will stop on signal at Green Tree, Bower Hill, Sygan, Treveskyn, Bishop, Acheson and McGregor.
d Arrives and leaves Toledo yard.
All trains will stop on signal at Wellsburg.
Nos. 8 and 9 will stop on signal at Burton City and White Fox.

† Daily, except Sunday. f Stop on signal.
a Will stop to let off passengers from Toledo or stations west, or to take on passengers for Massillon or stations east.
b Will stop to take on passengers for Pittsburg.
d Arrives and leaves Toledo yard.

Numbers opposite stations refer to tables showing connecting trains.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

Wheeling & Lake Erie Lines.

CLEVELAND, CANTON AND ZANESVILLE.

Read Down. Read Up.

204. Daily.	33. Daily.	30. Daily.	34. Daily.	36. Daily.	32. Daily.	Miles.	Table 22	37. Daily.	31. Daily.	35. Daily.	39. Daily.	35. Daily.	207. Daily.
	PM	PM	PM	AM	AM		21, 24, 26.	AM	AM	PM	PM	PM	
	3 05	5 45	4 00	10 00	7 00	0	Lv..Cleveland..Ar.	7 35	9 20	12 35	7 10	9 20	
	3 17	f 5 57		10 12		4	....Broadway..Lv.	7 20	f 9 08		6 58		
	3 22	6 02		10 16	7 12	5	....Newburg....	7 12	9 05	12 18	6 55	f 8 55	
	3 32	6 12		10 20	7 15	6	....Miles Avenue....	7 07	9 02	12 15	6 40	f 8 50	
						10	....Oakland....			b12 07			
	f 3 36			f10 32		11	....Glendale....	f 6 50			f 6 30		
	3 43	6 16	d 4 22	10 33	7 29	12	....Bedford....	6 47	8 50	b12 03	6 17	f 8 47	
	f 3 47	f 6 21		f10 40		15	....Cowans....	f 6 40			f 6 10		
PM	3 55	6 35	4 35	10 45	7 35	16	Ar. Falls Junction Lv.	6 35	8 43	f11 57	6 15	f 8 38	PM
12 01		6 38	4 39	10 45	7 35	16	Lv. Falls Junction Ar.	6 30	8 40	11 55	6 10		4 35
12 10		6 48	4 43	10 56	7 45	19	....Solon....	6 22	8 32	11 45	6 00		4 15
12 20		6 55	4 55	11 10	8 00	21	Ar. Chagrin Falls Lv.	6 10	8 20	11 35	5 45		4 00
PM	4 05	6 35		10 55	f 7 43	20	Lv...Twinsburg...Ar.	6 15	8 33	b11 48	6 00	f 8 30	PM
	4 09	6 39		11 05	f 7 52	24	....Moran....	6 00	f 8 25	b11 40	5 45	f 8 22	
						26	....Streetsboro....			b			
	f 4 16	f 6 52		f11 15		28	....Earlville....	f 5 48	f 8 17	b11 33	f 5 30		
	4 25	7 00	5 05	11 25	8 06	32	....Kent....	5 35	8 05	11 25	5 20	9 05	
	PM	7 08		AM	f 8 17	36	....Brimfield....	AM	f 7 57	11 15	PM	f 7 47	
		7 18			f 8 25	40	....Mogadore....		7 47	f11 05		f 7 37	
	f	f			f 8 30	42	....Suffield....		f 7 41	b10 57		f 7 31	
	7	7			f 8 33	44	....Mishler....		f 7 37	b10 53		f 7 27	
	7	7	5 28		8 38	46	....Congress Lake....		7 32	10 47		7 22	
	7	7			8 40	47	....Hartville....		7 30	b10 45		f 7 20	
	f	a				52	....Diamond....		f				
	7 48				8 50	53	....Middle Branch....		7 20	b10 35		f 7 10	
	f					57	....North Canton....		f	b			
	8 05	5 58			9 05	60	Ar. Canton Lv.		7 05	10 20		7 05	
	PM	5 58			9 05	60	Lv. 21, 24, 26 Ar.		AM	10 20		7 05	
		f			f	66	....Richville..Lv.					f	
				8.		68	....Kemery....			f	7.		
		6 38		Daily.	9 37	73	Ar. Navarre 21, 24 Lv.			9 50	Daily.	6 38	
		7 00		AM	10 00	78	Ar. Massillon 21 Lv.				PM	1 54	
		1 54		9 20		78	Lv. Massillon 21 Ar.			10 00	7 10		
					12 45	150	Ar. Wheeling 21, 23, 24 Lv.			6 25		3 25	
					12 50	152	Ar. Steubenville 21, 23, 24 Lv.			6 05		3 15	
			6 45	9 53		72	Lv. Navarre 21, 24 Ar.			9 41	6 20	PM	
			6 56	10 01		73	....Justus....Lv.			9 30	6 09		
			7 05	10 10		79	....Beach City....			9 22	6 00		
			7 15	10 22		84	....Dundee....			9 10	5 46		
			7 24	10 32		87	....Barrs Mills....			9 03	5 40		
			7 35	10 37		91	....Sugar Creek....			8 58	5 31		
			7 45	10 48		97	....Baltic....			8 41	5 20		
			f 7 57	11 01		102	....Chill....			8 28	5 07		
			8 03	11 09		105	....Fresno....			8 21	5 01		
			8 24	11 28		114	....Coshocton....			8 00	4 43		
			f	f		120	....North Conesville..			f	f		
			f 8 39	f11 43		121	....Conesville....			7 45	f 4 22		
			f 8 47	f11 51		125	....Adams Mills....			f 7 36	f 4 13		
			f	f		129	....Trinway....			f	f		
			8 58	12 02		130	....Dresden....			7 26	4 03		
			f 9 12	f12 16		136	....Ellis....			f 7 15	f 3 50		
			f			137	....Tremblys....						
			f	f		138	....Maddens....			f	f		
			9 30	12 40		144	Ar...Zanesville..Lv.			7 00	3 35		
			PM	PM						AM	PM		

No. 30 leaves Cleveland 7.45 p. m. on Sunday, arrives Canton 10.06 p. m., leaving two hours later as all intermediate stations.

WHEELING AND STEUBENVILLE.

12. Sunday Only.	114. Daily.	110. Daily.	108. Daily.	106. Daily.	102. Daily.	Miles.	Table 23	101. Daily.	103. Daily.	105. Daily.	109. Daily.	111. Daily.	1. Sunday Only.
PM	PM	PM	PM	AM	AM		21, 22, 24.	AM	AM	PM	PM	PM	AM
6 10		3 28		8 50	6 25	0	Lv...Wheeling..Ar.		8 30	12 45		5 45	9 20
6 20		3 38		9 00	6 35	3	....Martins Ferry....		8 20	12 35		5 35	9 10
6 30		3 48		9 05	6 40	4	..Terminal Junction..		8 15	12 30		5 30	9 05
f	f	f 3 51		f 9 16	f 6 51	9	....Tiltonville....		f 8 04	f12 19	f	f 5 19	f 8 54
6 42	5 20	4 00	12 15	9 20	6 55	10	....Warrenton 24..	6 50	8 00	12 15	3 50	5 15	8 50
		f	f	f		13	....Rush Run....	f		f	f	f	
f 6 50	f 5 27	f 4 18	f 12 22	f 9 28	f 7 05	14	....Stringer....	f 6 42	f 7 52	f12 02	f 3 42	f 5 07	f 8 43
		f	f	f		15	....Salt Run....	f		f	f	f	
f 6 57	5 35	4 18	12 22	9 37	7 13	17	Lv...Brilliant..Lv.	6 32	7 43	11 55	3 35	4 50	f 8 34
7 10		4 35			7 25	22	Ar...Mingo 21..Lv.	6 18	7 30			4 45	8 20
8 30		6 25				61	Ar. Pittsburg 21, 23, 25 Lv.		6 00				7 00
	5 46		12 43	9 51		21	Lv...Mingo June..Lv.	6 12		11 42	3 22		
	f		f 12 46	f 9 56		23	....La Belle....	f 6 06		f11 36	f 3 16		
	5 56		12 50	10 00		24	Ar...Steubenville..Lv.	6 05		11 35	3 15		
PM	PM	PM	PM	AM	AM		21, 23, 24.	AM	AM	AM	PM	PM	AM

REFERENCE MARKS.—a Will stop on signal week days only.
b Will stop to let off passengers from Canton or stations east.
d Will stop on signal to pick up passengers for Navarre or stations east.
e Leaves Cleveland at 4.00 p. m. on Sundays, to make connection at Canton.
f Stop on signal.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

WHEELING, WARRENTON AND CLEVELAND.

Read Down. Read Up.

2. Daily.	25. Daily.	23. Daily.	Miles.	Table 24	22. Daily.	22. Daily.	2. Daily.
	PM	AM		21, 23, 24.	PM	PM	PM
	3 25	6 25		Lv...Wheeling..Ar.	12 45	5 45	
	3 15	6 05		Lv. Steubenville 21, 23, 24 Ar.	12 50	5 50	
	3 05	5 55	0	Lv. Warrenton 23 Ar.	12 15	5 05	
	f 3 00	f 7 00	1	....Connor....	f12 11	f 5 00	
		f 7 07	4	....Glen Run....	f12 05	f 4 53	
		f 7 13	6	....Pine Valley....			
	f 4 13	7 16	7	....Dillonvale....	11 56	4 47	
	f 4 15	f 7 19	8	....Mount Pleasant....	11 55	4 45	
	f 4 19	f 7 23	9	....Long Run....	f11 52	4 41	
		f 7 29	10	....Herriek....	f11 48	f 4 37	
	4 30	7 37	13	....Adena....	11 42	4 30	
	f	f		....Hurford....	f	f	
	f 4 38	f 7 47	16	....Ginther....	f11 33	f 4 22	
	f 4 41	f 7 51	17	....Unionvale....	f11 30	f 4 18	
	f	f	20	....Greenough....	f	f	
		f 8 02	21	....Rexford....			
AM	f 4 52	f 8 05	23	Ar. Pittsburg Junc. Lv.	f11 18	f 4 05	
9 15	f 4 52	f 8 06	23	Lv. Pittsburg Junc. Ar.	f11 18	f 4 05	1 55
8 23		8 13	30	Ar...Jewett 21....	11 10	3 55	1 25
8 56			43	....Sherrodsville....	10 33		12 58
9 45			68	Ar. Navarre 21, 22 Lv.	9 45		12 15
10 20	7 00		81	Ar. Canton 21, 22, 24 Lv.	9 05		2 15
12 35	9 20		141	Ar...Cleveland..Lv.	7 00		
PM	PM	AM		21, 23, 26.	AM	PM	PM

PITTSBURG AND CLAIRTON.

WEST SIDE BELT RAILROAD.

208. Ex. Sun.	204. Ex. Sun.	206. Ex. Sun.	Miles.	Table 25	201. Ex. Sun.	205. Ex. Sun.	209. Ex. Sun.
PM	AM	AM		11, 21, 23.	AM	AM	PM
4 40	7 20		0	Lv...Pittsburg..Ar.	6 45	9 35	6 15
f 4 47	f 7 27	6 00	2	....West Liberty....	f 6 38	f 9 28	f 6 08
f 4 50	f 7 30	f 6 03	3	....Reflectorville....	f 6 35	f 9 25	f 6 05
f 4 55	f 7 32	f 6 06	4	....Oak....	f 6 33	f 9 24	f 6 03
f 4 58	f 7 35	f 6 10	5	....Fair Haven....	f 6 30	f 9 22	f 6 00
5 00	7 40	6 15	6	....Castle Shannon....	6 25	9 17	5 55
f 5 03	f 7 44	AM	7	....Smithburg....	AM	f 9 13	f 5 51
f 5 07	f 7 47		8	....Longview....		f 9 10	f 5 48
f 5 10	f 7 50		9	....Horning....		f 9 07	f 5 45
f 5 15	f 7 53		10	..Brownsville Road..		f 9 03	f 5 40
5 20	f 7 57		12	....Bruceton....		8 59	5 35
PM	f 8 02		13	....Woodleigh....		f 8 54	PM
	f 8 03		14	....Gill Hall....		f 8 52	
	f 8 07		15	....Pierce....		f 8 48	
	f 8 14		17	....Large....		f 8 41	
	8 20		20	Ar...Clairton..Lv.		8 35	
	AM					AM	

CANTON AND SHERRODSVILLE.

	134. Daily.	132. Daily.	Miles.	Table 26	131. Daily.	133. Daily.	
	PM	AM		21, 23, 24.	PM	PM	
	e 5 45	7 00		Lv...Cleveland..Ar.	12 35	9 20	
	5 15	10 30	0	Lv. Canton 21, 22, 24 Ar.	8 50	5 15	
	5 20	10 45	5	....Osnaburg..Lv.	8 33	4 57	
	f	f	9	....Mapleton....	f	f	
	5 44	10 58	11	....Robertsville....	8 21	4 44	
	f	f	12	....Hurst....	f	f	
	5 55	11 10	16	..Minerva Junction..	8 10	4 32	
	f	f	18	....Pekin....	f	f	
	6 05	11 18	19	....Minerva....	8 00	4 22	
	f 6 13	f11 26	16	..Minerva Junction..	f 7 52	f 4 15	
	6 18	11 28	17	....Oneida....	7 50	4 13	
	f 6 27	f11 38	22	....Hibbetts....	f 7 40	f 4 00	
	f	f	24	....Stemples....	f	f	
	6 37	11 52	27	....Carrollton....	7 30	3 48	
	f 6 43	f12 02	32	....Scott....	f 7 20	f 3 37	
	6 57	12 12	35	....Dell Roy....	7 15	3 31	
	f	f	37	....Atwood....	f	f	
		f	39	....Barricks....		f	
	10 15	12 30	43	Ar..Sherrodsville..Lv.	7 00	3 15	
	PM	PM			AM	PM	

HURON JUNCTION AND HURON.

		185. Mixed. Ex. Sun.	Miles.	Table 27	184. Mixed. Ex. Sun.		
		AM			PM		
		6 15	0	Lv...Huron Junc..Ar.	4 45		
		6 35	4	....Milan....	4 25		
		7 05	13	Ar....Huron....Lv.	4 00		
		AM			PM		

Terminal Connections.

CONNECTIONS AT ST. LOUIS.

		AM	PM	PM	PM	PM
Frisco. Union Station.	St. Louis.....Lv.	* 9 00	* 8 21	* 4 41	* 2 30	*10 16
	Springfield.....Ar.	6 [illegible]	3 [illegible]	4 [illegible]	[illegible]	6 50
	Joplin.....	10 [illegible]	.....	7 [illegible]	12 50	11 30
	Oklahoma City.....	.....	.....	6 [illegible]	9 15	6 50
	Dallas.....	1 45	7 [illegible]	.....	.....	.....
	Galveston.....	.....	9 10	.....	.....	.....
	San Antonio.....Ar.	.....	10 10	.....	.....	.....
Henderson Route. Union Station.	St. Louis.....Lv.	* 8 12	* 8 [illegible]	.....	.....	.....
	Owensboro.....Ar.	3 [illegible]	4 00	.....	.....	.....
	Hawesville.....	4 [illegible]	4 48	.....	.....	.....
	Cloverport.....	4 [illegible]	5 07	.....	.....	.....
	Louisville.....Ar.	7 [illegible]	7 25	.....	.....	.....
Illinois Central. Union Station.	St. Louis.....Lv.	* 7 45	* 1 [illegible]	* 1 [illegible]	.....	.....
	Murphysboro.....Ar.	11 10	4 [illegible]	12 [illegible]	.....	.....
	Memphis.....	7 45	11 [illegible]	1 20	.....	.....
	New Orleans.....	8 10	10 35	9 35	.....	.....
	Jacksonville.....Ar.	8 40	.....	7 20	.....	.....
Louisville & Nashville. Union Station.	St. Louis.....Lv.	* 8 12	* 1 [illegible]	* 3 45	.....	.....
	Evansville.....Ar.	1 [illegible]	6 [illegible]	2 35	.....	.....
	Nashville.....	3 10	2 05	8 17	.....	.....
	Atlanta.....	7 10	11 45	.....	.....	.....
	Birmingham.....	.....	8 25	4 00	.....	.....
	Jacksonville.....	.....	.....	8 40	.....	.....
	Mobile.....	.....	.....	2 55	.....	.....
	New Orleans.....Ar.	.....	8 15	7 15	.....	.....
Missouri, Kansas & Texas. Union Station.	St. Louis.....Lv.	* 9 15	* 8 [illegible]	*11 45	.....	.....
	Fort Scott.....Ar.	11 12	6 20	6 [illegible]	.....	.....
	Coffeyville.....	3 10	9 36	6 [illegible]	.....	.....
	Oklahoma City.....	10 15	5 [illegible]	.....	.....	.....
	Dallas.....	5 [illegible]	7 [illegible]	7 55	.....	.....
	Houston.....	6 45	9 45	9 [illegible]	.....	.....
	San Antonio.....	7 15	7 15	9 [illegible]	.....	.....
	Galveston.....Ar.	8 40	8 40	.....	.....	.....
Missouri Pacific. Union Station.	St. Louis.....Lv.	* 1 [illegible]	* 8 [illegible]	*10 10	.....	.....
	Sedalia.....Ar.	7 [illegible]	1 50	4 00	.....	.....
	Pleasant Hill.....	8 40	3 45	5 51	.....	.....
	Fort Scott.....	.....	7 15	1 [illegible]	.....	.....
	Joplin.....	2 30	9 10	4 [illegible]	.....	.....
	Coffeyville.....Ar.	.....	10 55	6 20	.....	.....
Mobile & Ohio. Union Station.	St. Louis.....Lv.	* 8 08	*11 00	* 3 13	.....	.....
	Cairo.....Ar.	1 21	3 [illegible]	1 43	.....	.....
	Jackson.....	5 [illegible]	7 [illegible]	5 38	.....	.....
	Mobile.....	.....	7 25	3 [illegible]	.....	.....
	New Orleans.....Ar.	.....	8 45	3 [illegible]	.....	.....
St. Louis, Iron Mountain & Southern. Union Station.	St. Louis.....Lv.	* 7 50	* 9 30	* 2 21	* 8 01	* 9 00
	Memphis.....Ar.	.....	.....	.....	.....	6 10
	Little Rock.....	10 50	6 17	1 30	6 45	7 15
	Hot Springs.....	.....	10 [illegible]	.....	9 15	9 15
	Texarkana.....	.....	1 10	6 20	11 45	.....
	Dallas.....	.....	9 10	1 [illegible]	6 40	.....
	Fort Worth.....	.....	10 20	1 [illegible]	7 40	.....
	El Paso.....	.....	10 10	.....	.....	.....
	Los Angeles.....	.....	12 55	.....	.....	.....
	San Francisco.....Ar.	.....	9 10	.....	.....	.....
	Palestine.....	.....	8 10	.....	6 [illegible]	.....
	Houston.....	.....	2 [illegible]	.....	1 35	.....
	Galveston.....	.....	6 [illegible]	.....	7 45	.....
	San Antonio.....	.....	6 30	.....	6 30	.....
	Laredo.....	.....	.....	.....	4 [illegible]	.....
	Monterey.....	.....	.....	.....	11 [illegible]	.....
	Mexico City.....Ar.	.....	.....	.....	6 30	.....
Southern Railway. Union Station.	St. Louis.....Lv.	*10 00	*10 [illegible]	.....	.....	.....
	Oakland City.....Ar.	4 [illegible]	3 49	.....	.....	.....
	Louisville.....	7 [illegible]	7 10	.....	.....	.....
	Knoxville.....Ar.	7 30	6 [illegible]	.....	.....	.....
Big Four. Union Station.	St. Louis.....Lv.	* 8 17	* 1 [illegible]	* 3 41	* 9 [illegible]	*11 [illegible]
	Indianapolis.....Ar.	2 [illegible]	6 45	4 00	4 20	7 15
	Cincinnati.....	5 [illegible]	.....	7 35	7 35	†10 55
	Springfield.....	3 [illegible]	.....	10 15	10 15	.....
	Columbus.....	4 [illegible]	.....	.....	11 35	.....
	Cleveland.....Ar.	10 [illegible]	2 12	3 [illegible]	.....	3 00
Baltimore & Ohio Southwestern. Union Station.	St. Louis.....Lv.	* 2 05	* 9 00	†11 50	* 9 [illegible]	.....
	Louisville.....Ar.	11 50	6 [illegible]	6 [illegible]	7 10	.....
	Cincinnati.....	11 45	6 [illegible]	6 [illegible]	7 30	.....
	Columbus.....	† 6 [illegible]	.....	11 [illegible]	11 30	.....
	Washington.....	6 30	12 [illegible]	.....	2 43	.....
	Philadelphia.....Ar.	10 15	4 [illegible]	.....	6 00	.....
Vandalia. Union Station.	St. Louis.....Lv.	* 7 20	* 8 44	* 1 [illegible]	* 5 [illegible]	*11 [illegible]
	Terre Haute.....Ar.	1 45	12 [illegible]	6 [illegible]	4 [illegible]	4 55
	Indianapolis.....	4 [illegible]	7 [illegible]	7 [illegible]	11 [illegible]	6 50
	Columbus.....Ar.	11 30	7 55	12 05	3 45	12 45
Cotton Belt. Union Station.	St. Louis.....Lv.	6 45	8 55	.....	.....	.....
	Shreveport.....Ar.	10 15	.....	.....	.....	.....
	Texarkana.....	8 15	7 55	.....	.....	.....
	Dallas.....	5 [illegible]	4 35	.....	.....	.....
	Fort Worth.....Ar.	3 30	6 50	.....	.....	.....
		PM	AM	AM	AM	PM

CONNECTIONS AT CHICAGO.

		AM	PM	PM	PM	AM	PM
Burlington Route. Union Station, Canal and Adams Street.	Chicago.....Lv.	* 9 15	* 5 00	* 6 10	* 6 30	* 9 20	*11 00
	St. Paul.....Ar.	.....	.....	.....	7 20	10 [illegible]	.....
	Minneapolis.....	.....	.....	.....	8 00	10 [illegible]	.....
	Kansas City.....	.....	.....	8 00	.....	.....	.....
	Omaha.....	10 55	.....	.....	.....	.....	7 55
	Lincoln.....	12 45	6 55	.....	.....	.....	5 30
	Denver.....	.....	7 30	.....	.....	.....	7 30
	Seattle.....	8 00	.....	.....	8 15	1 15	1 15
	Portland.....Ar.	7 00	.....	.....	7 00	6 50	6 50
Chicago Great Western. Station, Harrison St. and 5th Ave.	Chicago.....Lv.	.....	* 8 45	* 5 30	*11 30	* 8 30	.....
	St. Paul.....Ar.	.....	8 10	7 20	7 25	.....	.....
	Minneapolis.....	.....	8 50	8 00	8 00	.....	.....
	Kansas City.....	.....	6 50	.....	.....	2 00	.....
	Omaha.....Ar.	11 30	10 30	.....	3 30	9 00	.....
Chicago, Milwaukee & St. Paul. Union Station, Canal and Adams Streets.	Chicago.....Lv.	* 9 00	* 5 00	* 6 30	* 8 30	*10 25	*10 30
	Milwaukee.....Ar.	11 00	.....	.....	8 45	.....	12 30
	St. Paul.....	3 35	.....	.....	7 25	.....	11 25
	Minneapolis.....	10 20	.....	.....	8 00	.....	12 01
	Rock Island.....	.....	.....	10 30	.....	5 40	.....
	Davenport.....	.....	.....	10 55	.....	5 55	.....
	Kansas City.....	.....	.....	8 20	.....	5 10	.....
	Omaha.....Ar.	.....	.....	7 30	.....	3 10	.....
Chicago, Rock Island & Pacific. La Salle Street Station, La Salle and Van Buren Streets.	Chicago.....Lv.	* 8 30	* 5 45	* 6 00	*10 00	*11 30	
	Omaha.....Ar.	10 10	7 10	.....	12 10	4 30	
	Kansas City.....	10 55	.....	9 25	.....	5 55	
	Fort Worth.....	.....	.....	7 10	.....	7 15	
	Dallas.....	.....	.....	9 15	.....	9 05	
	Denver.....	2 50	9 45	.....	8 00	.....	
	San Francisco.....	9 10	12 40	.....	5 40	.....	
	Los Angeles.....Ar.	12 55	7 05	.....	8 55	.....	
Illinois Central. Station, 12th St. and Lake Front.	Chicago.....Lv.	* 2 55	* 8 00	.....	.....	.....	.....
	Dubuque.....Ar.	7 15	10 20	.....	.....	.....	.....
	Omaha.....	1 [illegible]	7 30	.....	.....	.....	.....
	Sioux City.....Ar.	8 [illegible]	7 35	.....	.....	.....	.....
Wisconsin Central. Station, 12th St. and Lake Front.	Chicago.....Lv.	* 2 45	* 8 15	† 8 35	.....	.....	.....
	Oshkosh.....Ar.	7 30	11 51	2 45	.....	.....	.....
	Grand Rapids.....	11 33	.....	8 30	.....	.....	.....
	St. Paul.....	4 45	8 15	.....	.....	.....	.....
	Minneapolis.....Ar.	5 10	8 50	.....	.....	.....	.....
North-Western. Station, Wells and Kinzie Streets.	Chicago.....Lv.	* 9 00	* 8 30	* 8 02	*10 05	*11 00	
	St. Paul.....Ar.	9 50	7 20	.....	.....	.....	
	Minneapolis.....	10 20	7 55	.....	.....	.....	
	Omaha.....	.....	.....	9 15	11 15	3 45	
	Salt Lake City.....	.....	.....	5 15	4 25	5 15	
	Portland.....	.....	.....	5 25	.....	7 15	
	Los Angeles.....	.....	.....	8 00	5 15	7 05	
	San Francisco.....Ar.	.....	.....	5 45	.....	12 45	
Michigan Central. Station, 12th St. and Lake Front.	Chicago.....Lv.	* 8 45	*10 30	*10 00	*11 35	* 3 00	
	Grand Rapids.....Ar.	2 00	.....	.....	7 00	.....	
	Saginaw.....	.....	.....	7 25	† 3 [illegible]	† 3 [illegible]	
	Bay City.....	.....	.....	7 50	† 4 [illegible]	† 3 [illegible]	
	Mackinaw City.....Ar.	10 30	.....	4 20	* 4 [illegible]	* 3 [illegible]	
Pere Marquette. Station, Harrison St. and 5th Ave.	Chicago.....Lv.	* 7 40	†12 [illegible]	† 4 40	*11 [illegible]	† 8 35	
	Muskegon.....Ar.	† 2 [illegible]	5 [illegible]	.....	† 6 [illegible]	.....	
	Grand Rapids.....	.....	5 [illegible]	10 20	† 6 [illegible]	1 10	
	Traverse City.....	† 6 [illegible]	11 30	.....	† 4 [illegible]	6 20	
	Petoskey.....Ar.	6 [illegible]	.....	.....	4 [illegible]	9 20	
Santa Fe. Dearborn Station, Dearborn and Polk Sts.	Chicago.....Lv.	2 43	* 9 00	* 8 00	* 8 [illegible]	*10 [illegible]	
	Kansas City.....Ar.	2 [illegible]	8 [illegible]	8 30	8 35	10 30	
	Denver.....	1 [illegible]	4 10	9 30	.....	1 [illegible]	
	Grand Canyon.....	4 [illegible]	.....	.....	7 00	4 [illegible]	
	Phœnix.....	2 50	.....	.....	1 [illegible]	2 50	
	Los Angeles.....	6 45	.....	.....	5 [illegible]	6 25	
	San Diego.....	12 45	.....	.....	3 [illegible]	12 45	
	San Francisco.....Ar.	8 20	.....	.....	10 55	.....	
		PM	PM	AM	PM	PM	

CONNECTIONS AT TOLEDO.

		AM	AM	PM	PM	PM
Lake Shore & Michigan Southern.	Toledo.....Lv.	* 4 15	* 8 50	* 7 55	*10 45	*11 15
	Sandusky.....Ar.	5 [illegible]	9 [illegible]	8 [illegible]	11 47	.....
	Cleveland.....	7 40	11 [illegible]	10 [illegible]	1 15	1 45
	Youngstown.....Ar.	1 [illegible]	6 [illegible]	4 10	9 [illegible]	9 [illegible]
Ohio Central Lines.	Toledo.....Lv.	.....	* 4 [illegible]	† 7 50	† 3 [illegible]	* 4 [illegible]
	Columbus.....Ar.	.....	8 [illegible]	11 40	6 [illegible]	8 30
	Middleport.....	.....	1 [illegible]	4 [illegible]	11 [illegible]	.....
	Gallipolis.....	.....	2 [illegible]	5 [illegible]	.....	.....
	Charleston.....Ar.	.....	4 [illegible]	7 [illegible]	.....	.....
Pere Marquette.	Toledo.....Lv.	†11 55	† 7 [illegible]	.....	.....	.....
	Plymouth.....Ar.	1 [illegible]	8 [illegible]	.....	.....	.....
	Flint.....	3 [illegible]	1 [illegible]	.....	.....	.....
	Saginaw.....	4 [illegible]	12 10	.....	.....	.....
	Bay City.....Ar.	5 [illegible]	12 45	.....	.....	.....
		PM	AM	PM	PM	PM

REFERENCE MARKS.—* Daily. † Daily, except Sunday.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

Terminal Connections.

CONNECTIONS AT TOLEDO—Continued.

		AM	PM	PM	PM	PM
Ann Arbor.	Toledo.....Lv.	† 7 40	† 3 10	† 8 00	.....	.....
	Ann Arbor.....Ar.	9 05	4 35	9 30	.....	.....
	Durand.....	10 44	6 15	11 05	.....	.....
	Frankfort.....Ar.	6 00	.....	7 40	.....	.....
Cincinnati, Hamilton & Dayton.	Toledo.....Lv.	*12 30	* 7 00	*10 10	* 3 20	* 7 15
	Dayton.....Ar.	5 15	11 40	3 45	11 05	5 05
	Hamilton.....	6 27	12 44	4 58	12 20	6 20
	Cincinnati.....Ar.	7 25	1 30	5 55	1 00	7 45
Big Four.	Toledo.....Lv.	*12 30	*10 30	* 3 20	.....	.....
	Bellefontaine.....Ar.	3 25	1 30	5 45	.....	.....
	Springfield.....	4 25	1 30	6 45	.....	.....
	Dayton.....	5 30	2 45	7 11	.....	.....
	Cincinnati.....Ar.	7 15	4 25	7 40	.....	.....
Hocking Valley.	Toledo.....Lv.	*12 45	* 7 55	†11 00	* 4 50	.....
	Marion.....Ar.	3 15	10 25	1 30	7 15	.....
	Columbus.....	7 10	11 40	5 20	8 30	.....
	Gallipolis.....	†12 10	.....	† 9 20	.....	.....
	Pomeroy.....Ar.	12 45	.....	9 55	.....	.....

CONNECTIONS AT BUFFALO.

Delaware, Lackawanna & Western.	Buffalo.....Lv.	* 3 15	* 9 30	* 5 20	* 8 45	*11 20
	Binghamton.....Ar.	8 20	2 03	11 20	1 25	4 20
	Scranton.....	10 15	3 38	1 58	3 15	5 58
	Washington.....	12 45	.....	4 35	.....	8 30
	New York.....Ar.	3 45	7 20	6 45	7 45	11 00
West Shore.	Buffalo.....Lv.	* 8 55	* 4 30	* 5 20	* 7 20	.....
	Rochester.....Ar.	10 52	6 05	6 58	9 21	.....
	Syracuse.....	12 58	8 00	8 58	11 20	.....
	Albany.....	7 25	12 45	12 35	6 40	.....
	New York.....	9 00	3 30	6 00	8 00	.....
	Boston.....Ar.	.....	5 20	.....	9 50	.....
New York Central & Hudson River.	Buffalo.....Lv.	* 4 00	* 8 00	* 5 30	* 8 00	10 30
	Rochester.....Ar.	5 40	9 51	6 58	10 40	11 40
	Albany.....	11 15	4 30	12 35	4 10	4 55
	Boston.....	5 00	†11 55	6 50	10 30	† 2 00
	New York.....Ar.	3 30	8 45	5 15	7 55	8 15
Lehigh Valley.	Buffalo.....Lv.	* 6 30	*11 00	* 7 40	*10 40	.....
	Rochester.....Ar.	10 20	1 00	9 45	.....	.....
	Sayre.....	12 45	3 00	12 27	2 35	.....
	Wilkes-Barre.....	1 02	5 22	2 50	4 53	.....
	Philadelphia.....	7 30	9 15	7 15	9 15	.....
	Atlantic City.....	9 10	.....	9 15	11 10	.....
	New York.....Ar.	8 40	10 15	8 15	10 00	.....
Pennsylvania Railroad.	Buffalo.....Lv.	* 9 00	* 9 00	.....	.....	.....
	Harrisburg.....Ar.	6 00	4 45	.....	.....	.....
	Philadelphia.....	7 32	7 32	.....	.....	.....
	Baltimore.....	7 20	7 15	.....	.....	.....
	Washington.....Ar.	8 35	8 46	.....	.....	.....
Buffalo, Rochester & Pittsburg.	Buffalo.....Lv.	* 8 15	* 9 30	*10 40	† 5 40	.....
	Salamanca.....Ar.	10 45	11 20	12 35	8 02	.....
	Johnsonburg.....	1 15	1 15	2 53	.....	.....
	DuBois.....	2 10	2 27	3 45	.....	.....
	Pittsburg.....Ar.	6 20	6 30	7 40	.....	.....
Erie.	Buffalo.....Lv.	* 8 15	* 4 05	* 8 15	.....	.....
	Elmira.....Ar.	11 59	8 05	12 02	.....	.....
	Port Jervis.....	4 35	2 24	5 05	.....	.....
	New York.....Ar.	7 15	6 30	8 00	.....	.....

CONNECTIONS AT DETROIT.

Canadian Pacific.	Detroit.....Lv.	* 1 15	* 1 30	.....	.....	.....
	Toronto.....Ar.	6 30	6 30	.....	.....	.....
	Ottawa.....	† 9 00	9 00	.....	.....	.....
	Montreal.....	† 7 35	7 35	.....	.....	.....
	Quebec.....	5 20	2 55	.....	.....	.....
	St. John.....	†12 20	.....	.....	.....	.....
	Halifax.....	† 8 45	.....	.....	.....	.....
	Portland.....	8 05	7 45	.....	.....	.....
	Old Orchard.....	8 41	8 12	.....	.....	.....
	Boston.....Ar.	7 30	8 15	.....	.....	.....
Grand Trunk.	Detroit.....Lv.	*10 45	*11 10	* 2 45	† 6 35	*10 30
	Georgetown.....Ar.	6 00	.....	.....	.....	6 33
	Toronto.....	7 20	8 15	10 00	8 25	7 40
	Montreal.....	7 01	7 01	7 40	8 05	6 00
	Quebec.....	.....	† 2 15	† 7 15	8 05	8 05
	Portland.....Ar.	.....	8 45	† 8 45	6 46	6 46
Michigan Central.	Detroit.....Lv.	† 7 05	* 8 20	† 4 45	* 8 55	.....
	Saginaw.....Ar.	10 17	12 00	7 40	12 23	.....
	Bay City.....	10 50	12 40	8 20	1 00	.....
	Mackinaw City.....Ar.	4 20	.....	.....	7 15	.....
Pere Marquette.	Detroit.....Lv.	* 2 20	† 8 30	† 1 30	* 5 30	† 3 10
	Plymouth.....Ar.	3 15	9 10	2 30	6 25	4 05
	Flint.....	5 05	10 50	4 20	8 10	5 55
	Saginaw.....	6 20	11 50	5 40	9 30	7 10
	Bay City.....Ar.	7 00	12 30	6 20	10 10	12 50
Cincinnati, Hamilton & Dayton.	Detroit.....Lv.	*10 45	* 1 20	*12 10	.....	.....
	Dayton.....Ar.	5 15	6 40	7 40	.....	.....
	Hamilton.....	6 27	7 52	8 52	.....	.....
	Cincinnati.....Ar.	7 25	8 45	9 45	.....	.....
		AM	PM	PM	PM	AM

CONNECTIONS AT KANSAS CITY.

		AM	PM	PM	PM	PM
Burlington Route. Union Depot.	Kansas City.....Lv.	* 9 50	* 6 55	* 9 40	.....	.....
	Billings.....Ar.	12 01	7 30	.....	.....	.....
	Seattle.....	1 15	8 00	.....	.....	.....
	Portland.....	6 00	7 00	.....	.....	.....
	Denver.....	7 30	.....	4 20	.....	.....
	San Francisco.....	4 30	.....	12 40	.....	.....
	Los Angeles.....Ar.	8 55	.....	7 05	.....	.....
Chicago, Rock Island & Pacific. Union Depot.	Kansas City.....Lv.	* 9 55	*11 00	* 9 35	*10 00	*11 00
	Topeka.....Ar.	11 40	1 10	11 12	11 05	12 50
	Fort Worth.....	.....	7 10	.....	7 35	.....
	Dallas.....	.....	9 15	.....	9 55	.....
	El Paso.....	4 12	.....	.....	.....	8 00
	Los Angeles.....	4 15	.....	.....	.....	12 55
	San Francisco.....Ar.	8 48	.....	12 48	.....	9 10
Frisco System. Union Depot.	Kansas City.....Lv.	*10 45	* 6 30	*11 30	* 2 10	* 8 05
	Fort Scott.....Ar.	2 20	9 10	2 50	4 30	10 45
	Memphis.....	11 10	8 00	7 55	.....	.....
	Birmingham.....	.....	3 55	5 40	.....	.....
	Oklahoma.....	9 15	.....	.....	6 50	9 15
	Dallas.....Ar.	1 45	7 35	.....	.....	.....
Union Pacific. Union Depot.	Kansas City.....Lv.	*10 05	* 6 20	.....	.....	.....
	Topeka.....Ar.	11 50	7 55	.....	.....	.....
	Denver.....	6 30	11 35	.....	.....	.....
	Cheyenne.....	10 30	10 20	.....	.....	.....
	Ogden.....	3 45	4 00	.....	.....	.....
	San Francisco.....	12 48	5 45	.....	.....	.....
	Los Angeles.....	7 05	8 55	.....	.....	.....
	Portland.....Ar.	7 15	6 00	.....	.....	.....
Kansas City Southern. Grand Central Station.	Kansas City.....Lv.	*12 10	*11 30	.....	.....	.....
	Joplin.....Ar.	6 20	5 40	.....	.....	.....
	Texarkana.....	7 40	7 45	.....	.....	.....
	Shreveport.....	11 20	11 25	.....	.....	.....
	Port Arthur.....Ar.	9 50	9 30	.....	.....	.....
Missouri Pacific. Union Depot.	Kansas City.....Lv.	* 8 30	*10 00	*11 00	* 6 30	* 9 35
	Yates Center.....Ar.	3 45	.....	3 30	.....	2 30
	Coffeyville.....	4 30	.....	4 05	.....	5 10
	Wichita.....	7 15	.....	6 55	.....	7 00
	Kiowa.....	10 55	.....	10 55	.....	11 20
	Pueblo.....	.....	8 30	.....	12 15	.....
	Denver.....	.....	12 55	.....	4 20	.....
	Glenwood Springs.....	.....	9 50	.....	11 44	.....
	Los Angeles.....	.....	11 20	.....	8 00	.....
	San Francisco.....Ar.	.....	5 15	.....	5 40	.....
Missouri, Kansas & Texas. Union Depot.	Kansas City.....Lv.	*12 25	* 9 00	* 2 20	.....	.....
	Oklahoma City.....Ar.	.....	10 15	5 20	.....	.....
	Fort Worth.....	7 50	5 10	7 30	.....	.....
	Dallas.....	7 55	5 00	7 10	.....	.....
	San Antonio.....	9 05	.....	7 15	.....	.....
	Houston.....	9 10	6 45	6 45	.....	.....
	Galveston.....Ar.	.....	8 40	8 40	.....	.....
Santa Fe. Union Depot.	Kansas City.....Lv.	* 8 45	* 9 45	*11 00	* 2 25	*10 30
	Topeka.....Ar.	10 20	11 30	12 50	.....	12 40
	Oklahoma City.....	.....	12 20	.....	.....	12 25
	Fort Worth.....	.....	7 50	.....	.....	8 40
	Galveston.....	.....	9 25	.....	.....	9 10
	Albuquerque.....	11 10	.....	7 30	10 45	.....
	Los Angeles.....	3 25	.....	8 25	6 45	.....
	San Francisco.....Ar.	10 55	.....	.....	6 20	.....

CONNECTIONS AT OMAHA.

		PM	PM	PM	PM	
Burlington Route. Burlington Station.	Omaha.....Lv.	* 4 10	* 4 10	*11 10	.....	.....
	Deadwood.....Ar.	4 00	.....	.....	.....	.....
	Billings.....	12 01	.....	7 30	.....	.....
	Seattle.....	1 15	.....	8 00	.....	.....
	Portland.....	6 00	.....	7 00	.....	.....
	Denver.....	.....	7 30	.....	.....	.....
	San Francisco.....	.....	4 30	.....	.....	.....
	Los Angeles.....Ar.	.....	8 55	.....	.....	.....
North-Western. Union Depot.	Omaha.....Lv.	† 6 30	* 7 40	* 2 00	* 3 00	.....
	Sioux City.....Ar.	10 20	.....	6 10	.....	.....
	Fremont.....	.....	8 15	.....	.....	.....
	Bonesteel.....	.....	5 45	.....	4 35	.....
	Hot Springs.....	.....	.....	.....	.....	.....
	Deadwood.....	.....	.....	.....	9 30	.....
	Lead.....Ar.	.....	.....	.....	1 05	.....
Union Pacific. Union Depot.	Omaha.....Lv.	* 9 40	* 4 10	* 4 10	*11 30	.....
	Grand Island.....Ar.	1 30	8 00	10 00	3 15	.....
	Granger.....	11 05	10 20	11 30	9 55	.....
	Butte.....	2 45	4 15	4 15	.....	.....
	Portland.....	5 30	7 15	7 15	.....	.....
	Ogden.....	4 00	3 45	.....	2 25	.....
	Salt Lake City.....	5 15	5 15	.....	4 25	.....
	San Francisco.....	12 48	.....	.....	.....	.....
	Los Angeles.....Ar.	8 55	7 00	.....	5 15	.....
		AM	AM	AM	PM	

REFERENCE MARKS.—* Daily. † Daily, except Sunday.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

To and From the Pacific Coast.

UNION PACIFIC RAILROAD.

11.	101-7.	101-1.	103-1.	Miles	STATIONS.	2-102.	4-104.	6-102.	12.
.....	* 9 20	* 9 20	*10 05	0	Lv....Kansas City...Ar.	* 8 50	* 8 50	* 8 50	.....
.....	7 10	7 10	11 06	89	Ar.....Lawrence.....Lv.	7 50	7 50	7 50	.....
.....	11 35	11 35	6 30	640	Ar.....Denver.....Lv.	1 30	7 40	1 30	.....
AM	10 30	10 30	10 30	747	Ar.....Cheyenne.....Lv.	7 10	2 35	7 10	AM
* 7 15	*11 00	* 9 00	* 3 20	....	Lv..Council Bluffs..Ar.	* 8 55	*10 05	* 1 55	* 9 15
7 45	11 30	9 40	4 15	0	.....Omaha.....Ar.	9 30	9 50	2 25	7 44
11 30	2 15	1 20	8 45	184	Ar....Grand Island.....Lv.	5 45	12 28	5 50	3 52
4 10	7 40	8 30	2 20	372	Ar....Juleasburg.....Lv.	10 22	7 16	5 40	9 45
9 30	.....	.....	7 50	569	Ar.....Denver.....Lv.	.....	.....	10 20	* 4 25
PM	11 30	11 10	8 30	516	Ar.....Cheyenne.....Lv.	7 05	1 40	1 40	PM
.....	12 01	11 20	10 45	0	Lv.....Cheyenne.....Ar.	6 50	1 20	1 20	.....
.....	6 55	9 50	8 20	306	Ar.....Green River.....Lv.	1 30	5 30	5 30	.....
.....	9 55	11 05	10 27	339	Ar.....Granger.....Lv.	11 15	5 00	7 40	.....
.....	.....	5 30	6 10	532	Ar..Pocatello (O.S.L.)..Lv.	12 40	.....	5 00	.....
.....	.....	3 40	4 00	879	Ar....Huntington.....Lv.	2 25	.....	2 00	.....
.....	.....	7 30	9 35	463	..Spokane (O.R.R.&N.Co.).....	7 30	.....	4 00	.....
.....	.....	5 25	7 15	1283	Ar.....Portland.....Lv.	9 30	.....	8 15	.....
.....	2 50	4 00	3 45	494	Ar.....Ogden.....Lv.	1 00	7 20	8 20	.....
.....	4 25	5 15	5 15	531	Ar....Salt Lake (O. S. L.)...Lv.	11 35	5 40	7 10	.....
.....	4 45	12 01	.....	531	Lv.Salt Lake (S.P.L.A.&S.L.)Ar.	.....	1 30	6 30	.....
.....	6 15	8 00	.....	1302	Ar....Los Angeles....Lv.	.....	2 45	8 00	.....
.....	PM	7 10	7 40	1180	Ar.Sacramento(So. Pac.)Lv.	2 20	12 50	11 35	.....
.....	.....	5 45	12 45	1270	.....San Francisco.....	11 00	9 00	6 00	.....
.....	.....	8 55	7 05	1625	Ar....Los Angeles....Lv.	* 5 00	* 1 50	*11 30	.....

Nos. 102-2.—Standard Sleepers, Kansas City to Denver and Salt Lake, and Council Bluffs to Denver and San Francisco; Standard and Tourist Sleepers, Council Bluffs to Portland; Tourist Sleepers, Kansas City to Los Angeles and Council Bluffs to San Francisco and every Wednesday and Friday for Los Angeles.

Nos. 101-1.—Standard Sleepers, Kansas City to Denver and Salt Lake, and Council Bluffs to San Francisco and Portland; Tourist Sleepers, Kansas City to Portland; Chair Car and Coaches, Kansas City to Denver.

Nos. 101-7.—Same as No. 101-1 from Kansas City, connecting at Cheyenne with Standard and Tourist Sleeping Cars from Council Bluffs to Los Angeles, via Salt Lake Route.

No. 11.—Standard Sleepers, Buffet Library Car and Chair Car.

Nos. 2-102.—Standard Sleepers, San Francisco and Portland to Council Bluffs, Salt Lake and Denver to Kansas City; Tourist Sleeper, Portland and Denver to Kansas City; Chair Car, Ogden to Denver and Kansas City.

Nos. 4-104.—Standard Sleepers, San Francisco to Ogden; Los Angeles to Salt Lake; Salt Lake to Denver and Kansas City; Cheyenne to Council Bluffs; Tourist Sleepers, Los Angeles to Salt Lake; Los Angeles to Council Bluffs, Tuesday and Thursday; Portland to Kansas City; Chair Cars, Salt Lake to Denver and Kansas City.

Nos. 6-102—Standard Sleeping Car, San Francisco and Portland to Council Bluffs; Denver to Kansas City; Tourist Sleepers, Los Angeles to Salt Lake City and Kansas City; Portland to Council Bluffs; Chair Car, Portland to Council Bluffs; Denver to Kansas City.

CHICAGO, ROCK ISLAND & PACIFIC RAILWAY.

27.	5.	41-12.	Miles	STATIONS.	42.	6.	8.
AM	* 2 01	* 7 20	.....	Lv.....Omaha.....Ar.	* 3 15	* 3 55	M
11 20	.....	10 00	0	Lv....Kansas City...Ar.	9 50	.....	6 45
* 8 15	* 7 50	3 40	634	Ar....Colorado Springs....	10 40	4 45	7 50
8 30	8 00	3 45	635	.....Denver.....	10 40	4 45	7 50
10 00	10 00	10 55	668	Ar.....Pueblo.....Lv.	9 22	7 05	6 55
7 50	.....	9 27	909	Ar.Glenwood(D.& R.G.)Lv.	8 27	.....	6 35
10 25	.....	11 00	1339	.....Salt Lake City.....	8 50	.....	4 00
11 30	.....	12 05	1376	Ar.....Ogden.....Lv.	7 10	.....	2 45
12 50	.....	7 40	2116	Ar.Sacramento(So.Pac.)Lv.	11 35	.....	2 20
5 43	.....	12 43	2200	.....San Francisco.....	4 00	.....	11 00
11 20	.....	7 05	2402	Ar....Los Angeles....Lv.	* 5 00	.....	* 5 00

29.	43.	Miles	STATIONS.	44.	30.
*11 10	* 9 55	0	Lv....Kansas City...Ar.	* 1 25	* 5 50
12 50	11 40	67	Ar.....Topeka.....Lv.	1 55	4 25
8 00	4 13	948	Ar.....El Paso.....Lv.	2 10	8 35
7 10	1 00	1200	Ar..Tucson (So. Pac.)..Lv.	3 05	5 40
12 55	4 15	1700	.....Los Angeles.....	12 01	12 10
6 00	11 10	1965	.....Santa Barbara.....	7 10	7 10
9 10	8 48	2242	Ar...San Francisco...Lv.	* 5 00	* 5 45

Nos. 41-12.—Standard Sleepers and Chair Cars, Omaha to Denver and Kansas City to Denver, making close connections with through cars for San Francisco and Los Angeles.

Nos. 5-27.—Standard Sleepers, Omaha to Denver and San Francisco and Kansas City to Denver; Tourist Sleepers, Omaha to Los Angeles every Tuesday, Wednesday and Thursday; Chair Car, Omaha to Pueblo and Kansas City to Denver.

No. 42.—Standard and Tourist Sleepers, Los Angeles and San Francisco to Denver; Standard Sleepers, Denver to Omaha and Kansas City; Chair Cars, Denver to Omaha; Pueblo to Kansas City.

No. 6.—Standard Sleepers, San Francisco and Denver to Omaha; Denver to Kansas City; Tourist Sleepers, Pueblo to Omaha; Los Angeles and San Francisco to Omaha, leaving Los Angeles every Tuesday, Wednesday and Thursday and San Francisco the following day; Tourist for Kansas City leaves San Francisco every Wednesday; Chair Car, Pueblo to Omaha; Denver to Kansas City.

Nos. 43 and 44.—Standard Sleepers between Kansas City and Los Angeles and San Francisco; Tourist Sleepers between Kansas City and Los Angeles. Carries sleeping car passengers only.

Nos. 29 and 30.—Standard Sleepers and Chair Car between Kansas City and El Paso and El Paso and Los Angeles; Coaches between Kansas City and El Paso.

REFERENCE MARKS—Daily. ¶ Meals.

The time from midnight to noon is shown by LIGHT-FACED figures, and the time from noon to midnight by HEAVY-FACED figures.

ATCHISON, TOPEKA & SANTA FE RAILWAY.

3-7.	7.	1.	8.	Miles	STATIONS.	4.	8.	2.	6.
7 00	2 35	*11 00	* 8 45	0	Lv....Kansas City...Ar.	* 2 35	* 8 40	* 1 35	* 1 25
10 35	.....	12 00	10 20	67	Ar.....Topeka.....Lv.	12 05	4 30	11 05	11 05
10 20	7 45	4 40	9 55	571	Ar.....La Junta.....Lv.	11 57	10 30	10 48	1 40
10 25	8 05	.....	.....	571	Lv.....La Junta.....Ar.	10 00	10 00	10 00	1 30
12 15	9 50	.....	.....	636	Ar.....Pueblo.....	8 05	8 05	8 05	11 45
1 30	11 10	.....	.....	678	.....Colorado Springs.....	6 40	6 40	6 40	10 20
4 10	1 35	.....	.....	753	Ar.....Denver.....	3 50	3 50	3 50	7 00
8 40	5 40	1 35	6 05	787	Ar.....Las Vegas.....Lv.	4 55	1 35	3 25	PM
12 05	12 05	7 30	11 05	919	.....Albuquerque.....	12 05	7 45	11 05	.....
12 55	12 55	11 25	10 50	1297	Ar.....Williams.....Lv.	12 25	5 27	4 51	.....
.....	.....	4 30	2 10	1362	Ar..Grand Canyon..Lv.	8 30	.....	3 00	.....
1 52	1 52	12 37	11 52	1320	Ar.....Ash Fork.....Lv.	11 15	4 06	5 37	.....
2 25	2 25	1 25	.....	1380	Ar.....Prescott.....Lv.	.....	2 57	4 57	.....
2 50	2 50	2 50	.....	1497	Ar.....Phoenix.....Lv.	.....	8 50	3 50	.....
12 55	12 55	2 25	9 25	1656	Ar.....Barstow.....Lv.	10 55	1 40	1 45	.....
4 30	4 30	6 05	1 10	1747	.....San Bernardino.....	7 45	9 50	10 [illegible]	.....
6 45	6 45	8 25	3 15	1807	.....Los Angeles.....	5 30	7 30	[illegible]	.....
12 45	12 45	12 45	.....	1933	Ar.....San Diego.....Lv.	1 45	10 35	* 1 45	.....
1 45	1 45	PM	9 40	1686	Lv.....Barstow.....Ar.	10 40	1 15	PM	.....
10 45	10 45	.....	4 37	1917	Ar.....Fresno.....	3 10	3 25	.....	.....
6 20	6 20	.....	10 55	2118	Ar...San Francisco...Lv.	* 9 30	* 8 00	.....	.....

No. 3.—Standard Sleepers, Kansas City to Los Angeles, San Diego and San Francisco; Williams to Grand Canyon; Ash Fork to Phoenix; Chair Cars, Williams to Grand Canyon.

No. 1.—Standard Sleepers, Kansas City to Los Angeles; Ash Fork to Phoenix; Tourist Sleepers, Kansas City to Los Angeles; Chair Car, Kansas City to Los Angeles; Williams to Grand Canyon.

No. 7.—Standard Sleepers, Kansas City to San Francisco; Ash Fork to Phoenix; Tourist Sleepers, Kansas City to San Francisco; Chair Cars, Kansas City to Los Angeles; Williams to Grand Canyon.

No. 5-7.—Standard and Tourist Sleepers and Chair Car, Kansas City to Los Angeles and San Francisco.

No. 4.—Standard Sleepers, San Francisco, San Diego and Los Angeles to Kansas City; Grand Canyon to Williams; Phoenix to Ash Fork; Chair Cars, Grand Canyon to Williams.

No. 3.—Standard Sleepers, San Francisco, San Diego and Los Angeles to Kansas City; Tourist Sleepers and Chair Cars, San Francisco and Los Angeles to Kansas City.

No. 2.—Standard Sleepers, Los Angeles to Kansas City; Phoenix to Ash Fork; Tourist Sleepers and Chair Car, Los Angeles to Kansas City.

BURLINGTON ROUTE.

4-12.	14-41.	5.	15-1.	Miles	STATIONS.	4-2.	6-14.	42.	44.
* 8 55	* 9 50	* 8 45	* 9 50	0	Lv....Kansas City...Ar.	* 8 45	*11 40	*11 20	* 4 00
.....	.....	4 30	7 30	667	Ar.....Denver.....Lv.	10 00	2 15	.....	.....
11 00	4 10	.....	4 10	0	Lv.....Omaha.....Ar.	10 00	7 10	7 40	9 05
.....	.....	.....	7 30	838	Ar.....Denver.....Lv.	10 00	2 15	.....	.....
.....	.....	10 30	11 40	851	Ar.Col.Spgs (D.& R.G.)Lv.	7 28	8 22	.....	.....
.....	.....	11 00	10 25	1279	Ar....Salt Lake City...Lv.	6 00	8 50	.....	.....
.....	.....	8 00	8 00	2058	Ar.Los Ang.(S.P.L.A.&S.L.)Lv.	2 45	8 00	.....	.....
.....	.....	4 30	11 55	1316	Lv....Ogden (So. Pac)...Lv.	7 00	7 45	.....	.....
.....	.....	12 45	4 28	2102	Ar....San Francisco.....	9 00	6 00	.....	.....
.....	.....	7 05	8 55	2449	Ar....Los Angeles...Lv.	* 5 50	11 25	.....	.....
1 20	1 00	AM	AM	0	Lv.....Lincoln.....Ar.	PM	PM	1 15	5 50
4 07	3 53	.....	.....	92	Ar.....Grand Island.....	.....	.....	1 28	9 35
.....	4 00	.....	.....	579	Ar.....Deadwood.....	.....	.....	4 25	.....
7 30	12 01	.....	.....	838	Ar.....Billings.....	.....	.....	9 05	12 49
5 00	9 50	.....	.....	1456	Ar.Spokane (Nor. Pac.)Lv.	.....	.....	7 05	12 49
3 00	1 15	.....	.....	1857	.....Seattle.....	.....	.....	4 40	7 45
7 00	6 50	.....	.....	1997	Ar.....Portland.....	.....	.....	* 9 30	*11 45

Nos. 15-2.—Standard Sleepers, Kansas City to Denver; Omaha to San Francisco; Salt Lake City to Los Angeles; Tourist Sleepers, Omaha to San Francisco and Los Angeles, Wednesday, Thursday and Friday; Kansas City to San Francisco, Wednesday and Thursday.

No. 5.—Standard Sleeper and Chair Car, Kansas City to Denver, connecting with through cars for Los Angeles and San Francisco.

Nos. 15-42.—Standard Sleepers and Chair Car, Kansas City to Seattle; Omaha to Deadwood; Tourist Sleeper, Kansas City to Seattle.

Nos. 41-15.—Standard and Tourist Sleepers and Chair Cars, Kansas City to Seattle; Seattle to Portland; Standard Sleepers and Chair Car, Omaha to Alliance.

No. 42.—Standard and Tourist Sleepers and Chair Car, Portland to Seattle; Seattle to Kansas City; Standard Sleepers and Chair Cars, Deadwood to Omaha.

Nos. 4-2.—Standard Sleepers and Chair Cars, Denver to Omaha and Kansas City; Tourist Sleepers every Tuesday, Wednesday and Thursday from Los Angeles, and the following day from San Francisco for Omaha; every Wednesday from Los Angeles and Thursday from San Francisco for Kansas City.

Nos. 6-14.—Standard Sleepers, San Francisco to Omaha; Denver to Kansas City; Chair Car, Denver to Omaha and Kansas City.

No. 44.—Standard Sleepers and Chair Car, Seattle to Kansas City; Alliance to Omaha. Tourist Sleepers, Seattle to Kansas City.

MISSOURI PACIFIC RAILWAY.

1.	5.	Miles	STATIONS.	3.	8.
* 8 30	*10 00	0	Lv....Kansas City...Ar.	* 8 50	* 5 50
2 12	7 57	207	Ar.....Geneseo.....	12 43	6 15
12 15	8 30	640	Ar.....Pueblo.....	1 38	8 29
4 20	12 35	787	Ar.....Denver.....	9 30	5 00
12 15	1 35	640	Lv.....Pueblo (D.& R.G.)Ar.	12 35	5 40
10 25	1 35	1262	Ar....Salt Lake City...Lv.	3 [illegible]	[illegible]
11 55	4 20	1339	Lv....Ogden (So. Pac.)...Ar.	7 10	2 50
6 [illegible]	6 45	1965	Ar...San Francisco...Lv.	4 00	9 00
8 55	11 20	1792	Ar.....Los Angeles...Lv.	* 3 50	* 5 00

Nos. 1 and 2.—Standard Sleepers and Chair Cars between Kansas City and San Francisco.

Nos. 3 and 8.—Standard Sleepers and Chair Cars between Kansas City and Denver; Tourist Sleepers every Wednesday and Friday, Kansas City to San Francisco and Los Angeles.

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Tourist Car Service.

CHICAGO AND BOSTON,
Via West Shore Railroad.

Read Down. | Read Up.

DAYS.			14.	STATIONS.	1.	DAYS.			ROUTE.
			AM		PM				
Sat.	Thu.	Mon.	11 00	Lv...Chicago...Ar.	3 50	Wed.	Fri.	Sun.	Wabash.
"	"	"	11 19	.....Englewood.....	3 32	"	"	"	"
"	"	"	4 40	....Montpelier....	10 05	"	"	"	"
"	"	"	5 00	.....Adrian.....	9 52	"	"	"	"
"	"	"	8 00	Ar...Detroit...Lv.	7 00	"	"	"	"
"	"	"	8 25	Lv.Detroit (C. T.)Ar.	7 10	"	"	"	"
"	"	"	10 15	..Windsor (E. T.)..	7 55	"	"	"	"
Sun.	Fri.	Tue.	12 47	.... St. Thomas	5 00	"	"	"	"
"	"	"	1 54	.....Simcoe.....	3 52	"	"	"	"
"	"	"	4 20	Ar...Buffalo..Lv.	1 40	"	"	"	"
Sun.	Fri.	Tue.	4 30	Lv...Buffalo..Ar.	1 35	Wed.	Fri.	Sun.	West Shore.
"	"	"	6 05	Ar. Rochester ..Lv.	11 55	Tue.	Thu.	Sat.	"
"	"	"	8 00	Ar...Syracuse ..Lv.	10 16	"	"	"	"
Sun.	Fri.	Tue.	*12 45	Ar...Albany ..Lv.	* 5 30	Tue.	Thu.	Sat.	"
Sun.	Fri.	Tue.	10 55	Ar.Rotterdam Junc.Lv.	7 20	Tue.	Thu.	Sat.	"
"	"	"	2 00	.....Greenfield.....	4 40	"	"	"	B. & M.
"	"	"	3 20	Ar... Gardner ..Lv.	2 47	"	"	"	"
Sun.	Fri.	Tue.	* 4 55	Ar.. Worcester ..Lv.	* 1 45	Tue.	Thu.	Sat.	"
Sun.	Fri.	Tue.	5 20	Ar...Boston...Lv.	12 50	Tue.	Thu.	Sat.	"
			PM		PM				

CHICAGO AND BOSTON,
Via Canadian Pacific Railway.

DAYS.	6.	STATIONS.	13.	DAYS.	ROUTE.
	PM		PM		
Friday.	3 00	Lv.....Chicago.....Ar.	9 30	Wednesday.	Wabash.
"	3 21	.....Englewood.....Ar.	9 11	"	"
"	7 12	.....Wolcottville.....Lv.	5 45	"	"
"	9 29	.....Montpelier.....	4 46	"	"
"	9 15	.....Adrian.....	3 45	"	"
"	10 41	.....Milan.....		"	"
"	10 49	Ar.Detroit (Central Time)Lv.	2 20	"	"
Saturday.	1 15	Lv.Detroit (Eastern Time)Ar.	2 10	Wednesday.	Can. Pac.
"	5 05	Ar.....London.....Lv.	11 38	"	"
"	9 30	.....Toronto.....	6 00	"	"
"	7 15	.....Montreal.....	10 00	Tuesday.	"
"	11 15	.....Newport.....	6 40	"	"
Sunday.	6 37	.....Lowell.....	10 39	"	B. & M.
"	7 30	Ar.....Boston.....Lv.	10 00	"	"
	AM		AM		

ST. PAUL, MINNEAPOLIS AND LOS ANGELES,
Via Minneapolis & St. Louis, Iowa Central, Wabash and Santa Fe.

DAYS.	7.	STATIONS.	2.	DAYS.	ROUTE.
	AM		PM		
Wednesday.	9 00	Lv.....St. Paul.....Ar.	7 20	Saturday.	M. & St. L.
"	9 40	.....Minneapolis.....	6 45	"	"
"	1 10	.....Albert Lea.....	3 05	"	Iowa Cent.
"	5 10	.....Des Moines.....	9 00	"	Wabash.
"	10 40	.....Albia.....	5 15	"	"
Thursday.	7 00	.....Moberly.....Ar.	1 00	"	"
"	7 10	Ar.....Kansas City.....Lv.	1 00	Friday.	"
Thursday.	11 00	Lv.....Kansas City.....Ar.	4 20	Friday.	Santa Fe.
"	12 58	Ar.....Topeka.....Lv.	2 30	"	"
"	12 58	.....Dodge City.....	2 30	"	"
Friday.	4 40	.....La Junta.....	10 45	Thursday.	"
"	1 35	.....Las Vegas.....	7 55	"	"
"	7 20	.....Albuquerque.....	2 05	"	"
Saturday.	12 37	.....Ash Fork.....	6 37	Wednesday.	"
Sunday.	2 25	.....Barstow.....	1 45	"	"
"	8 25	Ar.....Los Angeles.....Lv.	8 00	Tuesday.	"
Sunday.	12 45	Ar.....*San Diego.....Lv.	1 45	Tuesday.	"
	PM		PM		

ST. LOUIS AND LOS ANGELES,
Via Santa Fe.

DAYS.	7.	STATIONS.	4.	DAYS.	ROUTE.
	PM		AM		
First day.	10 15	Lv.....St. Louis.....Ar.	6 50	Fifth day.	Wabash.
"	11 05	.....St. Charles.....	5 47	"	"
Second day.	1 30	.....Mexico.....	3 05	"	"
"	3 00	.....Moberly.....Ar.	1 00	"	"
"	7 10	Ar.....Kansas City.....Lv.	8 00	Fourth day.	"
Second day.	11 00	Lv.....Kansas City.....Ar.	4 20	Fourth day.	Santa Fe.
Third day.	4 40	.....La Junta.....Lv.	10 45	Third day.	"
"	8 15	Lv.....Albuquerque.....Lv.	8 25	"	"
Fifth day.	* 2 50	Ar.....Phoenix.....Lv.	* 8 50	.....	"
Fifth day.	2 25	Ar.....Barstow.....Lv.	1 45	Second day.	"
"	5 45	.....San Bernardino.....	10 25	First day.	"
"	8 25	Ar.....Los Angeles.....Lv.	8 00	"	"
Fifth day.	*12 45	Ar.....San Diego.....Lv.	1 45	First day.	"
	PM		PM		

Cars leave St. Louis as follows:
November...4th, 6th, 12th, 18th, 20th, 24th, 26th.
December 2d, 8th, 10th, 14th, 18th, 22d, 28th, 30th.

Cars leave Los Angeles as follows:
November 1st, 5th, 9th, 13th, 17th, 21st, 25th, 29th.
December 3d, 7th, 11th, 15th, 19th, 23d, 27th, 31st.

*Tourist Car does not pass through; time given shows arrival or departure of trains making direct connections.

ST. LOUIS AND LOS ANGELES,
Via Union Pacific Railroad and Salt Lake Route.

Read Down. **Daily Service Three Days shown for Example.** Read Up.

EXAMPLE.			7.	STATIONS.	2.	EXAMPLE.			ROUTE.
			PM		PM				
Wed.	Tue.	Mon.	10 15	Lv..St. Louis..Ar.	6 10	Fri.	Sat.	Sun.	Wabash.
"	"	"	11 05	..... St. Charles	5 17	"	"	"	"
Thu.	Wed.	Tue.	3 00	.....Moberly.....	1 05	"	"	"	"
"	"	"	7 10	....Brunswick..Ar.	12 45	"	"	"	"
"	"	"	"	Ar.KansasCityLv.	10 20	"	"	"	"
Thu.	Wed.	Tue.	10 05	Lv.KansasCity.Ar.	8 50	Fri.	Sat.	Sun.	Un. Pac.
"	"	"	11 00	Ar...Lawrence..Lv.	7 50	"	"	"	"
Fri.	Thu.	Wed.	6 00	.....Denver.....	1 30	Thu.	Fri.	Sat.	"
"	"	"	10 30	.....Cheyenne.....	7 10	"	"	"	"
Sat.	Fri.	Thu.	3 45	.....Ogden.....	8 20	Wed.	Thu.	Fri.	"
"	"	"	5 15	Ar. Salt Lake City.Lv.	7 10	"	"	"	O. S. L.
Sat.	Fri.	Thu.	7 00	Lv..Salt Lake City.Ar.	6 30	Wed.	Thu.	Fri.	S. P. L. A.
Sun.	Sat.	Fri.	11 10	Ar..Las Vegas..Lv.	11 45	"	"	"	& S. L.
Mon.	Sun.	Sat.	6 25	....San Bernardino...	10 55	Mon.	Tue.	Wed.	"
"	"	"	6 55	....Riverside....	10 25	"	"	"	"
			8 00	Ar.LosAngelesLv.	8 00	"	"	"	"
			AM		PM				

"TRADE FOLLOWS THE FLAG"
LOCATE ON THE WABASH.

The Wabash System occupies a better geographical and strategic position than any other railroad in the United States. With its own rails it reaches all the large cities of the Middle West, from Buffalo and Pittsburg on the East to Omaha, Des Moines and Kansas City on the West. It traverses the Coal and Gas Belts of Pennsylvania, Ohio, Indiana, Illinois, Missouri and Iowa. Its lines extend East and West from Chicago and St. Louis. It is the **only** road having lines both East and West of Chicago and St. Louis, and is, therefore, in a position to give its patrons service which no other road can.

Parties contemplating establishment of a new industry or extension of an old will find it to their advantage to investigate locations on the Wabash.

WM. F. SCHMIDT, Industrial Commissioner,

210 Wabash Building, ST. LOUIS, MO.

Sleeping Car Rates.

PULLMAN STANDARD SLEEPING CARS.

BETWEEN / AND	Buffalo and Niagara Falls.		Council Bluffs and Omaha.		Chicago.		Denver.		Des Moines and Ottumwa.		Detroit.		Fort Wayne.		Hannibal.		Kansas City.		LaFayette.		Moberly.		Quincy.		Springfield.		St. Louis.		Toledo.	
	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.	Double Berth.	Drawing Room.
Albany, N. Y.	1.50	6.00			4.00	14.00	5.00	20.00			3.50	12.00	4.00	14.00					4.50	16.00			5.50	20.00			5.50	20.00	3.50	12.00
Austin, Tex.					8.00	30.00																					6.50	24.00		
Boston, Mass.	2.50	9.00			5.50	20.00	6.00	22.00			4.50	16.00	5.00	18.00					5.50	20.00			6.50	24.00	6.50	24.00	6.50	24.00	4.50	16.00
Buffalo, N. Y.					3.00	10.00	3.50	12.00			2.00	7.00	2.50	9.00	4.00	14.00	6.50	19.00	3.00	10.00	5.00	18.00	4.00	14.00	4.00	14.00	4.00	14.00	2.00	7.00
Chicago, Ill.	3.00	10.00	2.50	9.00			1.50	6.00	2.00	7.00	2.00	7.00	1.50	6.00	2.00	F.00	2.50	9.00			2.50	9.00	2.00	7.00	2.00	7.00	2.00	7.00	2.00	7.00
Cincinnati, Ohio	2.50	9.00			2.00	7.00	3.00	7.00					1.50	6.00	2.00	7.00							2.00	7.00			2.00	7.00	2.00	7.00
Colorado Springs, Col.			3.00	12.00	6.00	21.00			4.50	16.00							3.50	12.00									5.50	20.00		
Council Bluffs, Iowa.					2.50	9.00																					2.50	9.00		
Dallas, Tex.	9.00	34.00			6.00	22.00	6.50	20.00									4.00	14.00									5.00	18.00		
Decatur, Ill.	3.50	12.00			1.50	6.00					2.50	9.00	2.00	7.00	2.00	7.00	2.00	7.00	1.50	6.00	2.00	7.00	2.00	7.00	1.50	6.00	1.50	6.00	2.00	7.00
Denver, Col.					6.00	21.00			4.50	16.00					5.00	18.00	3.50	12.00									6.50	20.00		
Des Moines, Iowa.					2.00	7.00					4.00	14.00					2.00	7.00									2.00	7.00		
Detroit, Mich.	2.00	7.00			2.00	7.00	2.50	9.00					1.50	6.00	2.00	9.00	4.00	14.00	2.00	7.00	3.50	12.00	2.50	9.00	2.50	9.00	2.50	9.00	1.50	6.00
El Paso, Tex.					9.00	34.00											7.50	28.00									8.00	30.00		
Fort Wayne, Ind.	2.50	9.00			1.50	6.00	2.00	7.00			1.50	6.00			2.00	7.00	3.50	12.00	1.50	6.00	3.00	10.00	2.00	7.00	2.00	7.00	2.00	7.00	1.50	6.00
Fort Worth, Tex.					6.00	22.00	6.50	20.00									4.00	14.00												
Galveston, Tex.					8.00	30.00																								
Hannibal, Mo.	4.00	14.00			2.00	7.00	2.00	7.00			2.50	9.00	2.00	7.00			1.50	6.00	2.00	7.00	1.50	6.00							2.50	9.00
Hot Springs, Ark.	7.00	26.00			4.00	14.00	4.00	14.00									3.50	12.00									2.00	10.00		
Houston, Tex.					8.00	30.00																								
Indianapolis, Ind.	3.00	10.00			2.00	7.00	1.50	6.00			2.00	7.00															2.00	7.00		
Kansas City, Mo.	5.50	19.00			2.50	9.00	2.00	7.00	2.00	7.00	4.00	14.00	3.50	12.00	1.50	6.00			2.50	9.00	1.50	6.00	1.50	6.00	2.00	7.00	2.00	7.00	4.00	14.00
LaFayette, Ind.	3.00	10.00					1.50	6.00			2.00	7.00	1.50	6.00	2.00	7.00	2.50	9.00			2.00	7.00	2.00	7.00	2.00	7.00	2.00	7.00	2.00	7.00
Little Rock, Ark.	6.50	24.00			3.50	12.00	3.00	12.00									3.00	10.00									2.50	9.00		
Los Angeles, Cal.	17.00	63.00			14.00	53.00	14.00	56.00									11.50	44.00									13.00	50.00		
Minneapolis, Minn.					2.00	7.00									2.50	9.00	3.00	10.00									3.00	10.00		
Moberly, Mo.	5.00	18.00	2.00	7.00	2.50	9.00	2.00	7.00			3.50	12.50			1.50	6.00	1.50	6.00	2.00	7.00					2.00	7.00	1.50	6.00	3.50	12.00
Montreal, Que.	2.50	9.00			5.00	17.00					3.50	12.00															6.00	21.00		
New York, N. Y.	2.00	7.00			5.00	18.00	6.00	22.00			3.50	12.00	4.00	14.00			7.50	27.00	5.00	18.00							6.00	22.00	4.00	14.00
Niagara Falls, N. Y.					3.50	10.00	3.50	12.00			2.00	7.00	2.50	9.00	4.00	14.00	5.50	19.00	3.00	10.00	5.00	18.00	4.00	14.00	4.00	14.00	4.00	14.00	2.00	7.00
North Adams, Mass.	3.00	7.00			6.00	18.00	6.00	22.00			4.00	14.00	4.50	16.00					5.00	18.00			6.00	22.00			6.00	22.00		
Omaha, Neb.	5.50	20.00			2.00	9.00											2.00	7.00									2.50	9.00		
Ogden, Utah.																											9.00			
Peoria, Ill.					1.50	6.00			2.00	7.00																				
Phœnix, Ariz.					13.00	50.00																								
Pittsburg, Pa.					2.50	9.00																					3.50	12.00		
Portland, Me.																														
Portland, Ore.	17.00	63.00	11.50	44.00	14.00	53.00											11.50	44.00												
Quincy, Ill.					2.00	7.00	2.00	7.00					2.00	7.00			1.50	6.00	2.00	7.00					1.50	6.00	1.50	6.00		
Rochester, N. Y.	1.50	6.00			3.00	10.00	3.00	12.00			2.00	7.00	2.50	9.00					3.00	10.00			4.00	14.00			4.00	14.00	2.00	7.00
Rotterdam Junction, N. Y.	1.50	6.00			4.50	16.00	5.00	20.00			3.50	12.00	4.00	14.00					4.50	16.00			5.00	20.00			5.50	20.00		
Salt Lake City, Utah.																											9.00			
San Antonio, Tex.					4.50	22.00											6.00	22.00									7.00	26.00		
San Francisco, Cal.	17.00	63.00	11.50	44.00	14.00	53.00	13.00	50.00									11.50	44.00									13.00	50.00		
St. Louis, Mo.	4.00	14.00	2.00	9.00	2.00	7.00	1.50	6.00	2.00	7.00	2.50	9.00	2.00	7.00			2.00	7.00	2.00	7.00	1.50	6.00	1.50	6.00					2.50	9.00
St. Paul, Minn.					2.00	7.00			1.50	6.00					2.50	9.00	3.00	10.00									3.00	10.00		
St. Thomas, Ont.					3.00	7.00	2.00	10.00			1.50	6.00	2.00	7.00	3.50	12.00	5.00	18.00	2.50	9.00	4.50	16.00	1.50	12.00	3.00	10.00	3.50	17.50		
Springfield, Ill.	4.00	14.00			2.00	7.00	1.50	6.00			2.50	9.00	2.00	7.00	1.50	6.00	2.00	7.00	2.00	7.00	2.00	7.00	1.50	6.00					2.50	9.00
Springfield, Mass.	2.00	7.00			5.00	18.00					4.00	14.00															6.00	22.00	4.00	14.00
Syracuse, N. Y.					3.50	12.00	3.00	18.00			2.50	9.00	3.50	12.00					4.00	14.00							5.00	18.00	2.50	9.00
Texarkana, Ark.					6.00	18.00																								
Toledo, Ohio	2.00	7.00			2.00	7.00	2.00	7.00			1.50	6.00	1.50	6.00	2.50	9.00	4.00	14.00	2.00	7.00	3.00	12.00	2.50	9.00	2.00	9.00	2.50	9.00		
Toronto, Ont.	1.50	6.00			3.00	10.00					2.00	7.00																		
Utica, N. Y.	1.50	6.00			4.00	14.00	3.00	18.00			3.00	10.00	3.00	12.00					4.00	14.00			5.00	18.00			6.00	18.00	3.00	10.00
Worcester, Mass.	2.50	9.00			5.00	20.00					4.50	14.00																		
Wheeling, W. Va.					2.50	9.00																					3.50	13.00		

RATE FOR A SECTION IS TWICE THE DOUBLE BERTH RATE.

PULLMAN TOURIST SLEEPING CARS.

BETWEEN / AND	Albany, N. Y. Troy, N. Y.	Albuquerque, N. M.	Denver, Col.	Boston, Mass.	Buffalo, N. Y.	Chicago, Ill.	Denver, Col.	El Paso, Tex.	Kansas City, Mo.	La Junta, Col.	Las Vegas, N. M.	Los Angeles, Cal.	Hartsopa, Ariz.	Ogden, Utah.	Portland, Ore.	Rochester, N. Y.	St. Paul, Minn. Minneapolis, Minn.	Salt Lake City, Utah.	San Bernardino, Cal.	San Francisco, Cal.	Syracuse, N. Y.	Tucson, Ariz.
Adrian, Mich.				2.25	1.50	1.50																
Albia, Iowa.		6.00	6.25						1.00	2.75	3.50	6.25					1.00		6.25			
Buffalo, N. Y.				1.50		1.50																
Carrollton, Mo.		5.50	6.25					4.00		2.25		6.00	6.25				1.50		6.00	6.00		4.50
Chicago, Ill.	2.25			2.75	1.50													1.50			1.75	
Decatur, Ill.				2.00																		
Detroit, Mich.				2.75	1.50	1.50																
Fort Wayne, Ind.				2.50																		
Kansas City, Mo.		5.00	6.25					3.75		1.75	2.50	6.75	6.25	5.00	6.75		1.50	5.00	6.25	5.75		
Kirksville, Mo.		5.50	6.25						1.00	2.25	3.00	6.25					1.50		6.25			
Mexico, Mo.												6.25	6.25									
Minneapolis or St. Paul, Minn.		6.50	6.75					5.25	1.50	2.50	4.00	6.75	6.75									
Moberly, Mo.		5.00	6.25					4.00		2.25	3.00	6.25	6.25				1.50		6.25	6.25		4.75
Montpelier, Ohio.				1.50	1.00	1.00																
St. Louis, Mo.				2.25			2.75	4.00	1.00			6.50	6.25	4.50	6.50			4.00		6.00		6.00
St. Thomas, Ont.				1.75		1.00																
Montreal, Que.						2.00																

MEXICAN SCENES.

THROUGH SERVICE, CHICAGO TO MEXICO.

THE CATHEDRAL, CITY OF MEXICO.

On November 19th, the Wabash Railroad will inaugurate Through Standard Sleeping Car Service from Chicago to the City of Mexico, via the short line through St. Louis and Laredo. Through Sleepers will leave Chicago every Monday and Thursday at 11.45 p. m., being attached next morning at St. Louis, to the "St. Louis-Mexico Special"—a solid through train of Standard Sleepers, Observation Cars and Dining Cars—reaching the City of Mexico in three days' time from Chicago.

THE CASTLE OF CHAPULTEPEC.
(PERMISSION OF THE METROPOLITAN MAGAZINE CO.)

Details of schedule will be published in the next issue of this folder.

For full information, descriptive literature, rates and suggestions covering tours of Mexico, write

C. S. CRANE,
General Passenger and Ticket Agent,
Room No. 1821 Wabash Building,
ST. LOUIS, MO.

Exhibit # Nov 19, 19

OCTOBER, 1906.

Year 1905.

Total Operating Expenses for Missouri, as per statement attached.....	$4,534,330.29

NOTE.—Operating Expenses for Missouri for year 1905 are arrived at in the same manner as shown above for the year 1904.

Freight proportion 65%..	2,947,314.69

The freight proportion is arrived at in the same manner as shown above for the year 1904.

To arrive at the Intra-State freight expenses, the following figures are used:

Freight earnings—		
Intra-State....	$717,221.68=	25.85%
Interstate.....	2,057,788.58=	74.15%
Total.....	$2,775,009.26=	100.00%

To arrive at the expenses of Intra-State freight business in Missouri take the percentage that the Intra-State freight earnings bear to the Total Freight earnings in Missouri, viz: 25.85%

25.85% of $2,947,314.69...	761,880.85

NOTE 1.—In arriving at the operating Expenses for Missouri for the period January 1st, 1904 to June 30th, 1905 the figures were based upon Operating Expenses for the six months ending December 31st, 1905.

The Wabash Railroad Company.

Total number of miles operated..... 2,517.2 miles.
Miles operated in Missouri..... 654.0 "

Statement of Earnings and Expenses in Missouri for the Years 1904 *and* 1905.

(*a*) EARNINGS.

	Year 1904.			Year 1905.		
	Intrastate.	Interstate.	Total.	Intrastate.	Interstate.	Total.
1. From Freight.....	678,342.35	1,811,879.81	2,490,222.16	701,241.94	2,084,089.71	2,785,331.65
2. From Passenger.....	1,707,507.92	1,238,426.64	2,945,934.56	1,078,692.98	700,074.63	1,778,767.61
3. From Mail, Exp. & Misc.....	308,191.17	317,333.11	625,524.28	333,732.16	321,749.59	655,481.75
4. Gross Earnings.....	2,694,041.44	3,367,639.56	6,061,681.00	2,113,667.08	3,105,913.93	5,219,581.01

(*b*) EXPENSES.

	1904.	1905.
5. Maintenance of Way and Tracks.....	1,132,164.38	968,635.55
6. Maintenance of Rolling Stock.....	816,692.47	879,201.80
7. Conducting Transportation.....	2,155,049.13	2,057,506.76
8. Loss & Damage to Persons & Property.....	162,875.35	247,101.41
9. General Office.....	138,108.44	152,373.27
10. Mileage of Cars.....	97,701.77	64,865.42
11. Taxes.....	154,726.50	164,646.08
12. Renewal Account.....	.....	.....
13. Miscellaneous.....	.....	.....
14. Total Expenses.....	$4,657,318.04	$5,534,330.29

Recapitulation.

	1904.	1905.
15. Gross Earnings.....	$6,061,681.00	$5,219,581.01
16. Gross Expenses.....	4,657,318.04	4,534,330.29
17. Net Earnings.....	$1,404,362.96	$685,250.72

The Wabash Railroad Company.

Total number of miles operated..... 2,517.2 miles.
Miles operated in Missouri..... 654.0 "

Statement of Earnings and Expenses in Missouri for the Years 1904 and 1905.

(a) EARNINGS.

	Year 1904. Intrastate.	Interstate.	Total.	Year 1905. Intrastate.	Interstate.	Total.
1. From Freight	688,242.18	1,780,681 38	2,468,923.56	717,221.68	2,057,787.58	2,775,009.26
2. From Passenger	1,707,507.92	1,238,426 64	2,945,934.56	1,078,692.98	700 074.63	1,778,878.61
3. From Mail Exp. & Misc	348,695.03	388,440.89	737,135.92	362,603 66	372,435.83	735,039.49
4. Gross Earnings	2,744,445.13	3,407,548.91	6,151,994.04	2,158,518.32	3,130,298.04	5,288,816.36

(b) EXPENSES.

	1904.	1905.
5. Maintenance of Way & Tracks	1,132,164 39	968,635.55
6. Maintenance of Rolling Stock	816,692.47	879,201.80
7. Conducting Transportation	2,155,049.13	2,057,506.76
8. Loss & Damage to Persons & Property	162,875.35	247,101.41
9. General Offices, Agencies & Advertising	138,108 44	152,373.27
10. Mileage of Cars	97,701.77	64,865.42
11. Taxes	154,726 50	164,646.08
12. Renewal Account	.....	.....
13. Miscellaneous	.....	.....
14. Total Expenses	4,657,318 04	4,554,330 29

Recapitulation.

15. Gross Earnings	$6,151,994.04	$5,288,816.36
16. Gross Expenses	4,657,318.04	4,534,330.29
17. Net Earnings	$1,494,676.00	$754,486.07

18. Cost of Conducting Transportation, $4,212,555.89 for the two years, 45.83% of the total expenses.

6698 EXHIBIT 5. November 20th, 1906.

The Wabash Railroad Company.

The Following is the Basis Used for Arriving at the Expenses of Intra-state Freight Business in the State of Missouri.

Year 1904.

Total Operating Expenses for Missouri, as per statement attached $4,657,318.04

NOTE.—Operating Expenses for Missouri are arrived at as follows:

All operating expenses incurred within the State of Missouri are included in these figures. Where certain expenses, such as General Expenses, Maintenance of Equipment, etc., are not chargeable within the State, the State of Missouri is charged with its proportion upon a revenue train, engine and car mileage basis. (See Note 1.)

Freight Proportion 65% 3,027,256.73

The Freight Proportion is arrived at as follows:

All freight expenses are charged direct to "Freight."

All passenger Expenses are charged direct to "Passenger."

All expenses common to freight and passenger are divided between "Freight" and "Passenger" upon a basis of revenue train mileage.

(The result of this division between "Freight" and "Passenger" is as follows:

Freight Proportion 65%
Passenger " 35%)

To arrive at the Intra-State freight expenses, the following figures are used:

Freight Earnings—

Intra-State.....	$678,342.35=	27.24%
Interstate.....	1,811,879.81=	72.76%
	$2,490,222.16=	100.00%

To arrive at the expenses of Intra-State freight business in Missouri take the percentage that the Intra-State earnings bear to the Interstate earnings, viz: 27.24%

27.24% of $3,027,256.73..... $824,624.73

Year 1905.

Total Operating Expenses for Missouri as per statement attached..... $4,534,330.29

NOTE.—Operating Expenses for Missouri are arrived at as follows: All operating Expenses incurred within the State of Missouri are included in these figures. Where certain expenses, such as general expenses, Maintenance of Equipment, etc., are not chargeable within the State, the State of Missouri is charged with its proportion upon a revenue train, engine and car mileage basis. (See Note 1.)

Freight proportion 65%..... 2,947,314.69

The freight proportion is arrived at as follows:

All freight expenses are charged direct to "Freight."

6699 All passenger expenses are charged direct to "Passenger."

All expenses common to freight and passenger are divided between "Freight" and "Passenger" upon a basis of revenue train mileage.

(The result of this division between "Freight" and "Passenger" is as follows:

Freight proportion 65%
Passenger " 35%)

To arrive at the Intra-State freight expenses, the following figures are used:

Freight Earnings—

Intra-State.....	$701,241.94=	25.18%
Interstate.....	2,084,089.71=	74.82%
Total...	2,785,331.66=	100.00%

To arrive at the expenses of Intra-State freight business in Missouri, take the percentage that the intra-state earnings bear to the Interstate earnings, viz: 25.18%

25.18% of $2,947,314.69..... ..... 742,133.84

NOTE 1.—In arriving at the operating expenses for Missouri for the period of January 1st, 1904 to June 30th, 1905, the figures were based upon Operating Expenses for the six months ending December 31st, 1905.

6700 EXHIBIT 6. November 20th, 1906

Detail of Miscellaneous Earnings.

Miscellaneous Freight.

	1904.		1905.	
	Intrastate.	Interstate.	Intrastate.	Interstate.
Switching	$86,610.60	$194,262.20	$70,358.99	$173,962.38
Car Service	5,804.89	15,505.28	5,700.93	16,939.79
Storage, etc.	424.67	1,134.31	762.21	2,264.84
Total	$92,840.16	$210,901.79	$76,822.13	$193,167.01

Miscellaneous Passenger.

	1904.		1905.	
	Intrastate.	Interstate.	Intrastate.	Interstate.
Excess Baggage Collection	$18,415.84	$5,317.97	$16,860 10	$4,718.23
Parlor Car Seat Collections	5,823.63	4,224.07	4,960.00	3,219.45
Miscellaneous	4,559.26	3,306.93	4,082 09	2,649.56
Total	$28,798.73	$12,848.97	$25,902.19	$10,587.24

Summary.

	1904.		1905.	
	Intrastate.	Interstate.	Intrastate.	Interstate.
Miscellaneous Freight	$92,840.16	$210,901.79	$76,822.13	$193,167.01
" Passenger	28,798.73	12,848.97	25,902.19	10,587.24
Total	121,638.89	$223,750.76	$102,724.32	$203,754.25

6701 DEF'T'S EX. 7.

Copy of Resolutions Adopted at Meeting Held in New York April, 1906.

Resolved, That the Accounting Officers are requested to keep accounts so that they can hereafter furnish statements showing the earnings and cost of local passenger traffic in Ohio, under the new law, and that they can also furnish statements showing the receipts and cost of local freight business in Ohio on and after April 1st, 1906, and that the passenger earnings and earnings from mail and express be separately stated. We also recommend that such Accounting Officers adopt, so far as practicable, a uniform method of keeping such accounts and making such statements.

Resolved, That we recommend to our Accounting Officers that separate accounts be kept from April 1st, 1906, in the several states through which our respective lines are operating, showing the local

passenger and local freight earnings in each state and the expense of conducting each class of business in each of the said several States, that the showing of passenger earnings and expenses shall include all earnings and expenses of passenger trains, including mail and express earnings separately.

The local passenger and freight traffic mentioned in the previous Resolutions of the Committee of Counsel means business which originates and terminates in the same State and not passing out of it, and does not cover business which originates in one State and terminates in an adjoining State or originates in one State, passes through one State and terminates in another state, or which originates and terminates in the same state, but passes through any portion of another state while in transit, these three latter being interstate.

6702 Ex. 8.

At a meeting of representatives of the Legal and Accounting Departments of 14 roads operating in the State of Ohio, meeting held in New York City in April, 1906, there was a general discussion on the question of ascertaining cost of conducting local and through passenger and freight business, which resulted in the adoption of the following preamble and resolution:

"Whereas, It is the consensus of opinion of the members present at this meeting, that the responsibility of determining as nearly as may be, any difference in the cost of conducting local freight business as compared wtih the through freight business, as defined by the legal representatives, -evolves upon the officers in charge of operations."

6703 Ex. 9.

ST. LOUIS, *January 30th*, 1906.

Mr. T. J. Tobin, Auditor.

DEAR SIR: At a conference with Mr. F. A. De Lano, President, yesterday, in Chicago, he requested that of the $700,000.00 appropriated by the Board of Directors toward the purchase of new equipment, at its meeting on December 28th, $300,000.00 of the amount be charged direct to Operating Expenses under the head of "Maintenance of Equipment" and the remainder, $400,000.00, charged to "Income Account." This will reduce the net earnings for the month of December from $441,592.04 to $141,592.04.

Yours truly, E. B. PRYOR.

Copy.

Ex. 9–a.

Statement Showing How $300,000.00 *Covering Appropriation for New Freight Cars Was Divided to States.*

Accounting division.	Total mileage.	Michigan.		Ohio.	Indiana.	Illinois.	Missouri.	Iowa.
		Detroit to State line.	Milan to State line.					
2	97.0	80.4	.....	16.6				
5	30.9	.....	25.2	5.7				
6	164.1	.....	.....	71.2	92.9			
7	101.8	.....	.....	.....	91.9	9.9		
8	79.3	.....	.....	66.5	12.8			
9	14.8	.....	.....	.....	14.8			
10	92 7	.....	.....	.....	.....	92.7		
11	60.0	.....	.....	.....	.....	60.0		
12	37.0	.....	.....	.....	.....	37.0		
13	70.7	.....	.....	.....	.....	70.7		
14	71.1	.....	.....	.....	.....	71.1		
15	11.7	.....	.....	.....	.....	11.7		
16	112.9	.....	.....	.....	.....	112.9		
17	163.8	.....	.....	.....	.....	162.3	1.5	
18	62.2	.....	.....	.....	.....	62.2		
19	42.3	.....	.....	.....	.....	41.9	.....	.4
20	160.8	.....	.....	.....	.....	.....	160.8	
21	21.6	.....	.....	.....	.....	.....	21.6	
22	96.0	.....	.....	.....	.....	.....	87.9	8.1
23	35.5	.....	.....	.....	.....	.....	.....	35.5
26	127.4	.....	.....	.....	.....	.....	127.4	
27	15.4	.....	.....	.....	.....	.....	15 4	
29	79.7	.....	.....	.....	.....	.....	79.7	
Total Mileage	1,748.7	80.4	25.2	160.0	212.4	732.4	494.3	44 0
Percents	.....	4.61	1.44	9.15	12.15	41.87	28.26	2.52
Appropriation for New Frt. Cars	$300,000.00	$13,830.00	$4,320 00	$27,450.00	$36,450.00	$125,610.00	84,780 00	$7,560.00

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EXHIBIT 10.

Division of Expenses Between Freight & Passenger, Whole Road.

	Freight expenses.	Passenger expenses.	Per cent freight.	Per cent passenger.
Year ending June 30th, 1901	$8,634,791.53	$4,117,253.58	67.71	32.29
" " " " 1902	9,015,065.37	4,832,370.51	65.10	34.90
" " " " 1903	10,313,415.42	5,502,246.90	65.21	34.79
" " " " 1904	11,749,082.00	5,934,426.85	66.44	33.56
" " " " 1905	12,655,070.34	7,848,374.21	61.72	38.28
" " " " 1906	11,817,153.51	6,260,723.94	65.37	34.63
Average for 6 years	$64,184,588.17	$34,495,395.89	65.04	34.96

Division of Expenses Between Freight and Passenger, for Missouri.

6 Months to Dec. 31, 1905	$1,158,441.18	$899,785.13	56.56	43.44
6 " " June 30, 1906	1,266,906.53	760,345.45	62.49	37.51
Year ending June 30, 1906	2,425,347.71	1,650,130.58	59.52	40.48
3 months to Sept. 30, 1906	740,738.57	422,631.10	63.67	36.33

EXHIBIT 11.

The Wabash Railroad Company Earnings, Whole Road, Calendar Year.

	Year 1902.	Percent.	Year 1903.	Percent.	Year 1904.	Percent.	Year 1905.	Percent.
Freight	$12,506,602.31	62.65	$14,151,068.38	62.72	$13,483,118.67	54.89	$14,590,770 94	61.88
Passenger	5,885,917.38	29.49	6,590,758.43	29.21	9,105,378.16	37.07	6,817,468.35	28.91
Mail. Ex. & Misc.	1,568,939.04	7.86	1,820,154.44	8.07	1,974,373.85	8.04	2,171,027.13	9.21
Total	$19,961,458.73		$22,561,981.25		$24,562,870.68		$23,579,266.42	

(Here follow blue prints marked pp. 6707 and 6708.)

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SUMMARY OF OPERATING STATISTICS BY ACCOUNTING DIVISIONS FOR YEAR E

NOTE -In the division between "Freight" and "Passenger," expenses common to both have been divided on basis of Train-mileage. The results so obtained
In obtaining "estimated" loaded car-mileage, two empty cars are treated as one loaded car.
In showing the average cost per train-mile, the mileage of "mixed" trains is divided between "Freight" and "Passenger" on the basis of $\frac{1}{2}$ and $\frac{1}{2}$
In arriving at the average service performed, the total mileage of "mixed" trains and of cars in such trains has been included as "Freight" and also
Tonnage figures are not freight tonnage, i. e., they do not include weight of cars.

ACCOUNTING DIVISIONS	MILES SINGLE TRACK MAIN LINE AND BRANCHES	TONS ONE MILE			TONS ONE MILE FOR EACH MILE OF MAIN TRACK		AVERAGE TRAINS PER DAY PER MILE OF MAIN TRACK		TONS PER TRAIN-MILE		TONS PER LOADED CAR-MILE		TONS PER (LOADED AND
		190....	190....		190....		190....	190....	190....	190....	190....	190....	190....
	MILES	TONS	TONS	RANK	TONS	RANK	TRAINS	TRAINS	TONS	TONS	TONS	TONS	TONS
BUFFALO DIVISION													
1 Buffalo to Detroit	275 3		422 499 222	1	1 534 687	9		964	11	936 32	10	16 90	26
DETROIT DIVISION													
2 Detroit to Montpelier	97 0		262 292 944	4	2 704 056	5		14 47	6	978 98	9	18 60	17
3 Montpelier to Ashley	24 4		42 367 666	19	1 736 326	7		11 35	8	419 03	11	17 53	26
4 Ashley to Chicago	130 7		237 466 033	5	1 575 358	8		10 89	9	396 34	12	17 52	21
5 Toledo to Milan (Ann Arbor R.R.)	30 9		17 917 086	21	579 841	18		2 93	23	654 65	1	29 56	1
TOTAL	303 0		559 984 229		1 849 133			11 53		939 14		17 98	
PERU DIVISION													
6 Toledo to Peru Via Montpelier	164 1		235 330 536	6	1 434 166	10		7 96	15	493 72	7	18 75	16
7 Peru to Tilton	101 8		223 672 790	7	2 216 825	6		12 60	6	482 19	8	19 02	14
8 Maumee to New Haven	79 3		76 667 055	13	966 791	14		5 32	17	497 55	5	22 28	6
9 Covington Branch	14 8		62 901	31	4 250	31		1 57	30	7 88	31	13 94	30
TOTAL	360 0		537 733 382		1 493 709			8 03		485 66		19 30	
DECATUR DIVISION													
10 Chicago To Forrest	92 7		274 715 318	3	2 963 990	1		16 17	2	502 17	4	26 68	2
11 Forrest to Bement	60 0		176 227 362	10	2 937 123	2		16 70	3	512 45	2	24 91	3
12 Streator Branch	37 0		3 079 000	24	83 216	26		1 72	29	132 93	24	21 72	9
13 Bement to Altamont and Effingham	70 7		7 369 722	22	103 391	24		1 74	28	162 79	22	21 98	8
14 Tilton to Decatur	71 1		208 547 941	8	2 933 164	3		16 22	1	495 55	6	19 51	13
15 Champaign Branch	11 7		699 827	28	59 541	27		4 17	26	36 47	28	17 89	18
16 Decatur to East St. Louis and St. Louis Union Station and Champaign Branch	116 1		317 809 089	2	2 737 331	4		14 83	5	505 61	3	20 67	11
TOTAL	459 3		988 333 459		2 151 826			12 09		497 77		22 49	
SPRINGFIELD DIVISION													
17 Decatur to Hannibal and Quincy and Pittsfield Branch	163 8		187 853 983	9	1 146 850	11		9 95	10	315 86	13	20 11	12
18 Bluffs to Quincy Via Camp Point	02 2		5 773 892	23	98 228	25		1 87	27	135 68	23	15 40	27
19 Clayton to Keokuk	42 3		4 963 444	24	117 337	22		2 51	20	127 86	25	16 55	25
TOTAL	268 3		198 591 319		746 184			6 90		293 73		19 23	
MOBERLY DIVISION													
20 St. Louis Union Station and Olive Street to Moberly	160 8		174 303 459	11	1 083 977	12		11 58	7	256 43	17	17 36	22
21 Columbia Branch	2 16		1 018 335	27	47 146	28		3 96	21	32 62	29	10 96	31
22 Moberly to Moulton	96 0		49 842 388	16	519 192	20		5 25	18	271 03	15	17 82	19
23 Moulton to Ottumwa	33 5		3 895 977	26	109 746	23		3 72	22	80 78	26	19 51	28
24 Hannibal to Moberly (M.K.&T.Div)	69 7		46 523 311	17	667 479	16		8 39	12	217 90	20	18 79	16
25 Moulton To Des Moines	96 7		42 977 287	18	444 439	21		5 15	19	236 34	19	22 06	7
26 Moberly to Kansas City	127 4		129 788 379	12	1 018 741	13		1 53	31	242 07	18	17 31	23
27 Glasgow Branch	15 4		283 986	30	18 441	30		2 98	23	16 96	30	13 52	29
28 Excelsior Springs Branch	9 7		301 927	29	31 126	29		2 07	26	41 16	27	16 27	20
29 Brunswick To Puttonsburg	79 7		54 132 837	15	679 407	15		6 83	13	296 70	14	23 32	4
30 Puttonsburg To Stanberry	27 7		17 926 929	20	647 182	17		6 74	15	263 81	16	22 93	5
31 Stanberry to Omaha	119 1		62 259 043	19	522 796	19		7 80	14	163 56	21	21 53	16
TOTAL	834 3		583 253 874		671 755			7 93		234 50		18 72	
GRAND TOTAL	2528 2		3 290 395 405		1 903 024			9 27		386 28		19 46	

RATING STATISTICS BY ACCOUNTING DIVISIONS FOR YEAR ENDING JUNE 30, 1906 COMPARED WITH .....

...tween "Freight" and "Passenger," expenses common to both have been divided on basis of Train-mileage. The results so obtained can be used only for comparative purposes, as they do not represent the actual cost of either branch of the ...
...mated" loaded car-mileage, two empty cars are treated as one loaded car.
...erage cost per train-mile, the mileage of "mixed" trains is divided between "Freight" and "Passenger" on the basis of ½ and ½ respectively, in accordance with the rule of the "Interstate Commerce Commission."
...average service performed, the total mileage of "mixed" trains and of cars in such trains has been included as "Freight" and also as "Passenger."
...re not freight tonnage, i. e., they do not include weight of cars.

	TONS ONE MILE FOR EACH MILE OF MAIN TRACK		AVERAGE TRAINS PER DAY PER MILE OF MAIN TRACK		TONS PER TRAIN-MILE		TONS PER LOADED CAR-MILE		TONS PER CAR-MILE (LOADED AND EMPTY)		COST PER 100 TON-MILES											
											Station Service		Train Service		Engine Service		Contingencies		Trial Conducting Transportation		Maintenance of Way and Structures		Maintenance Equipment	
	190...		190...		190...		190...		190...		190...		190...		190...		190...		190...		190...		190...	
	TONS	RANK	TRAINS	RANK	TRAINS	RANK	TONS	RANK	TONS	RANK	TONS	RANK	TONS	RANK	TONS	RANK	TONS	RANK	TONS	RANK	TONS	RANK	TONS	RANK
											CENTS		CENTS		CENTS		CENTS		CENTS		CENTS		CENTS	
9	222	1	1	534	687	9			964	11			936	32	10				16	90	26				12	35	19
2	844	4	2	704	058	5			1	54	27		478	92	9				18	80	17				13	12	15
7	666	19	1	736	358	7			11	35	8		419	03	11				17	53	20				11	70	23
6	133	5	1	575	359	8			10	89	9		396	34	12				17	52	20				11	85	22
7	086	21		579	891	17			2	43	25		654	65	1				29	56	1				20	66	1
	4229		1	696	133				11	53			439	19					17	98					12	56	
10	536	6	1	436	160	10			7	96	15		493	72	7				18	75	16				14	12	13
12	796	7	2	216	825	6			12	60	6		482	19	8				19	02	14				14	86	9
7	055	13		966	798	18			5	32	17		497	55	5				22	28	6				15	96	3
2	901	31		42	258	31			1	57	30		7	44	31				13	94	30				8	84	30
	3342		1	493	709				8	03			455	66					19	30					14	67	
15	518	3	2	963	990	1			16	17	2		502	17	4				26	68	2				17	81	2
7	362	10	2	937	123	2			16	70	3		512	45	2				24	91	3				15	93	4
9	000	20		83	216	26			1	72	29		132	93	26				21	72	9				14	85	10
9	722	22		103	391	24			1	79	28		162	79	22				21	98	8				14	98	8
7	941	8	2	933	164	3			16	22	1		495	55	6				19	51	13				14	38	11
9	827	28		55	541	27			4	17	28		36	47	28				17	89	16				12	37	20
94	089	2	2	734	331	4			14	83	5		505	61	3				20	67	11				15	19	6
33	459		2	151	826				12	09			487	77					28	49					15	69	
53	983	9	1	196	850	11			9	95	10		315	86	13				20	11	12				13	07	18
3	892	23		98	528	26			1	87	23		135	68	23				15	40	27				10	15	21
53	444	24		117	337	22			2	51	24		127	86	25				16	55	25				10	89	25
91	319			744	188				6	90			203	73					19	83					12	89	
93	459	11	1	083	977	12			11	58	7		256	43	17				17	36	22				12	54	18
18	353	27		47	146	28			3	96	21		32	62	29				10	96	31				7	60	31
42	384	16		519	192	20			5	25	18		271	03	15				17	82	19				12	98	17
95	977	26		109	790	23			3	72	22		80	78	26				14	51	28				9	53	28
23	311	17		667	477	16			8	39	12		217	90	20				18	79	16				11	98	21
77	287	18		999	439	21			5	15	19		236	34	19				22	06	7				14	16	12
87	379	12	1	018	747	13			1	53	31		292	07	18				17	31	23				11	96	24
83	986	30		16	441	30			2	98	23		16	96	31				13	52	29				9	18	29
01	987	29		31	826	29			2	07	26		41	16	27				16	27	26				9	80	27
32	837	15		679	807	15			6	23	13		228	70	14				23	32	4				15	25	5
26	929	20		647	182	17			6	78	15		263	21	16				22	93	5				15	03	7
59	043	14		523	748	19			7	80	14		183	56	21				21	53	16				13	96	14
53	874			678	258				7	93			239	50					18	72					12	74	
85	405			1	903	924			9	27			286	28					19	46					13	72	

	Station Service		Train Service		Engine Service		Contingencies		Trial Conducting Transportation		Maintenance of Way and Structures		Maintenance Equipment	
	190...		190...		190...		190...		190...		190...		190...	
	CENTS	RANK	CENTS	RANK	CENTS	RANK	CENTS	RANK	CENTS	RANK	CENTS	RANK	CENTS	
	260	6	216	2	792	11	598	17	1870	7	346	11	469	
	732	18	623	5	823	12	289	3	2067	9	409	2	774	
	388	10	255	10	915	14	514	10	2072	10	301	8	918	
	741	19	257	12	864	13	698	18	2510	15	236	6	762	
	830	21	236	11	674	6	408	8	2166	12	352	12	485	
	713		241		843		462		2259		232		771	
	643	16	230	7	704	7	529	11	2106	11	285	3	723	
	330	7	221	4	642	4	566	5	1567	3	249	6	669	
	436	2	197	1	572	3	282	2	1187	2	235	4	635	
	6205	31	7827	31	5067	31	9618	31	73718	31	34937	27	17568	
	443		223		665		426		1757		236		690	
	1161	26	219	3	732	9	533	12	2645	17	331	10	713	
	86	1	225	6	388	1	262	1	963	1	196	1	528	
	867	23	967	25	1584	24	1067	23	4505	28	2078	24	1042	
	757	20	619	22	982	17	966	22	3324	21	3065	26	875	
	356	8	236	8	672	5	363	9	1617	5	282	7	715	
	2685	30	1480	27	4272	27	2892	27	11589	27	6748	27	3890	
	608	15	248	9	345	2	402	7	1803	6	316	9	626	
	618		239		605		412		1874		322		656	
	392	11	367	14	956	16	649	19	2364	14	364	16	909	
	476	13	668	23	1424	22	814	21	3384	22	1768	22	1191	
	837	28	853	24	1642	25	1691	25	5023	25	1829	23	1266	
	406		387		986		681		2660		632		926	
	1599	26	438	18	1463	23	590	15	3780	23	894	19	1102	
	1943	28	1365	26	4716	28	6884	30	19908	28	6307	28	3478	
	2095	5	369	15	781	10	593	16	1952	8	432	13	730	
	897	29	1691	28	3255	26	3474	28	9157	26	2840	25	1640	
	143	4	395	16	946	15	746	20	2230	13	1616	21	621	
	3784	9	4802	20	1110	19	1311	28	3279	28	845	20	806	
	666	17	955	19	1071	18	582	14	2776	18	517	14	939	
	2701	29	3056	30	9994	30	4913	29	19663	30	9682	31	6668	
	1729	27	2446	29	7831	28	1818	26	13818	28	7979	30	8623	
	141	3	340	13	706	8	401	6	1588	4	555	15	669	
	434	12	428	17	1237	26	410	9	2513	16	596	17	914	
	535	14	532	21	1256	24	570	13	2893	19	617	18	930	
	589		447		1173		662		2971		767		879	
	560		280		803		507		2150		393		713	

R ENDING JUNE 30, 1906 COMPARED WITH ..... 190 .....

ed can be used only for comparative purposes, as they do not represent the actual cost of either branch of the service.

X respectively, in accordance with the rule of the "Interstate Commerce Commission."
so as "Passenger."

FREIGHT

R CAR-MILE (AND EMPTY)			COST PER 100 TON-MILES																		COST PER ESTIMATED LOADED CAR-MILE				COST PER TRAIN-MILE				ACCOUNTING DIVISIONS
			Station Service		Train Service		Engine Service		Contingencies		Trial Conducting Transportation		Maintenance of Way and Structures		Maintenance of Equipment		GENERAL EXPENSES		TOTAL										
	190...		190...		190...		190...		190...		190...		190...		190...		190...		190...		190...				190...				
	TONS	RANK	CENTS	RANK	CENTS	RANK	CENTS	RANK	CENTS	RANK	CENTS	RANK	CENTS	RANK	CENTS	RANK	CENTS	RANK	CENTS	RANK	CENTS	RANK	190... CENTS	RANK	190... CENTS	RANK	CENTS	RANK	CENTS	RANK	
	12.35	19	2.60	6	2.16	2	7.92	11	5.98	17	18.70	7	3.46	11	4.69	2	1.00	12	27.83	5			3.97	3			121.53	18		1
	13.12	15	7.32	18	2.23	5	8.23	12	2.88	3	20.67	9	4.09	12	7.74	14	.87	10	31.37	9			4.76	6			150.23	26		2
	11.70	23	3.88	10	2.55	10	9.15	14	5.14	10	20.72	10	3.01	8	9.18	19	.98	11	33.69	12			4.76	7			142.02	25		3
	11.85	22	7.91	19	2.57	12	8.64	13	6.48	18	25.10	15	2.36	6	7.62	13	1.08	13	36.16	13			5.11	11			143.30	24		4
	20.66	1	8.30	21	2.36	11	6.79	6	4.08	8	21.68	12	3.52	12	4.85	3	.63	2	30.68	8			7.96	16			200.66	31		5
	12.56		7.13		2.41		8.43		4.62		22.39		2.32		7.71		.95		33.57				4.97				147.41		TOTAL	
	18.12	13	6.43	16	2.30	7	7.04	7	5.29	11	21.06	11	2.25	3	7.23	11	.93	7	31.37	11			5.05	10			156.37	28		6
	14.86	9	3.30	7	2.21	4	6.42	4	3.66	5	15.67	3	2.49	6	6.69	7	.86	9	25.71	3			4.29	4			123.96	19		7
	15.96	3	1.36	2	1.97	1	3.72	3	2.82	2	11.87	2	2.33	4	6.35	6	.82	6	21.39	2			3.98	2			106.49	10		8
	8.84	30	62.05	31	78.27	31	50.70	31	96.18	31	737.18	31	34.37	27	175.65	31	42.39	31	989.62	31			187.10	31			97.77	2		9
	14.67		4.43		2.23		6.65		4.26		17.57		2.36		6.90		.85		27.68				4.61				135.26		TOTAL	
	17.21	8	11.61	26	2.19	3	7.32	9	5.33	12	26.45	17	3.31	10	7.13	9	.82	5	37.71	14			7.89	18			189.37	30		10
	15.93	4	.86	1	2.25	6	3.88	1	2.62	1	9.63	1	1.96	1	5.28	4	.80	3	17.67	1			3.43	1			90.50	6		11
	14.85	10	8.67	23	9.67	25	15.84	28	10.87	23	45.05	28	20.78	28	10.23	22	3.11	26	79.22	26			13.97	25			105.30	9		12
	14.98	8	7.57	20	6.19	22	9.82	17	9.66	22	33.24	21	30.65	26	8.76	16	2.50	22	75.12	23			13.39	24			124.60	20		13
	14.38	11	3.56	8	2.36	8	6.72	5	3.69	9	16.17	5	2.82	7	7.15	10	.83	8	24.97	4			4.47	5			133.64	23		14
	12.37	20	20.85	30	14.60	27	42.72	27	28.92	27	115.29	27	67.48	29	38.30	28	8.52	28	229.59	27			33.58	28			111.43	14		15
	15.19	6	6.08	15	2.48	9	3.95	2	4.02	7	18.03	6	3.16	9	6.26	5	.81	4	29.26	6			4.93	9			143.17	29		16
	15.64		6.18		2.39		6.05		4.12		18.74		3.22		6.56		.84		29.30				5.92				143.69		TOTAL	
	13.07	16	3.92	11	3.67	14	9.56	16	6.49	19	23.64	14	3.64	16	9.09	17	1.30	19	39.67	16			6.28	15			126.82	21		17
	10.15	26	4.76	13	6.68	23	14.24	22	8.14	21	33.84	22	17.68	22	11.91	20	2.29	23	66.22	22			8.10	20			98.20	8		18
	10.89	25	2.37	22	2.53	24	16.42	25	16.91	24	50.23	25	18.29	23	12.66	25	3.12	25	84.30	25			11.07	23			112.34	15		19
	12.89		4.06		3.87		9.86		6.81		26.60		6.32		9.26		1.38		41.56				6.49				124.33		TOTAL	
	12.54	18	12.99	26	4.38	18	14.63	23	5.90	15	37.80	23	8.34	19	11.02	23	1.61	18	58.77	21			8.56	21			150.70	27		20
	7.60	31	19.43	28	13.65	26	47.16	28	68.84	30	199.08	29	63.07	28	34.78	27	9.59	29	256.47	28			23.02	27			110.84	13		21
	12.98	17	2.09	5	3.69	15	7.81	10	5.93	16	19.52	8	4.32	13	7.30	12	1.52	16	32.66	10			4.90	8			88.61	6		22
	9.53	26	8.97	28	16.31	28	32.55	26	34.74	28	91.57	26	28.90	25	16.40	26	5.11	26	141.98	26			16.19	26			110.29	16		23
	11.98	21	1.43	4	3.95	16	9.46	15	7.46	20	22.30	13	16.16	21	6.21		0.31		39.11	13			3.72	13			85.83	1		24
	14.16	12	3.78	9	4.80	20	11.10	19	13.11	28	32.79	28	8.45	20	8.06	15	1.75	20	50.05	20			8.80	22			120.65	17		25
	11.96	24	6.68	17	4.55	19	10.71	18	5.82	14	27.76	18	5.17	14	9.39	21	1.71	19	44.03	18			6.07	19			106.57	11		26
	9.18	29	27.01	29	30.56	30	99.94	30	44.13	29	196.63	30	96.82	31	66.68	29	18.38	30	378.51	30			41.39	30			85.02	2		27
	9.80	27	17.29	27	24.46	29	78.31	29	18.18	26	138.18	28	79.79	30	46.23	30	7.54	27	311.79	29			38.14	29			170.98	29		28
	15.25	5	1.91	3	3.40	13	7.06	8	4.01	6	15.88	4	5.55	15	6.69	8	1.39	15	24.51	7			5.44	12			88.15	4		29
	15.03	7	4.34	12	4.28	17	12.37	20	4.14	9	25.13	16	5.96	17	9.14	18	1.57	17	41.80	17			7.59	17			110.02	12		30
	13.96	16	5.35	14	5.32	21	12.56	21	5.70	13	28.93	19	6.17	18	9.30	24	2.26	21	46.66	19			7.90	19			85.65	3		31
	12.74		6.89		4.47		11.73		6.62		29.71		7.67		8.79		1.61		47.78				7.24				118.65		TOTAL	
	13.72		5.60		2.80		8.05		5.07		21.50		3.93		7.13		1.05		33.61				5.91				130.09		GRAND TOTAL	

Form A.O. 113.

EXHIBIT 12

6708

The Wabash Railroad Company.

SUMMARY OF OPERATING STATISTICS FOR YEAR ENDING JUNE 30, 1906. COMPARED WITH ..... 190.....

SHOWING AMOUNT SAVED BY REDUCTION OF OPERATING EXPENSES BASED ON THE TONNAGE FOR ..... 190.....

DIVISION	Miles of Single Main Track, Main Line and Branches		Tons Moved One Mile 190—	Tons Moved One Mile 190—	Tons Mile Per Mile of Main Track 190—	Tons Mile Per Mile of Main Track 190—	Density Rank 190—	Density Rank 190—	Tons Per Train Per Mile 190—	Tons Per Train Per Mile 190—	Tons Per Loaded Car Mile 190—	Tons Per Loaded Car Mile 190—	Coal Per Train Mile in Cents 190—	Coal Per Train Mile in Cents 190—	Cost per 100 Tons One Mile in Cents: Conducting Transportation 190—	Cost per 100 Tons One Mile in Cents: Conducting Transportation 190—	Cost per 100 Tons One Mile in Cents: Total Operating Expenses 190—	Cost per 100 Tons One Mile in Cents: Total Operating Expenses 190—	Saving (See Note Below)
BUFFALO	275	3		422,499,223		1,534,687		3		436.38		16.90		121.53		18.70		27.65	
DETROIT	303	0		559,984,228		1,898,133		2		434.94		17.98		147.41		22.59		33.57	
PERU	360	0		537,733,302		1,493,704		4		485.66		19.30		135.26		17.57		27.68	
DECATUR	459	3		988,333,459		2,151,826		1		487.77		22.49		143.69		18.74		29.36	
SPRINGFIELD	268	3		198,591,519		740,184		5		293.73		19.83		124.33		24.60		41.56	
MOBERLY	859	3		583,253,876		678,755		6		234.50		18.72		112.65		29.71		47.78	
TOTAL THIS YEAR	2525	2		3,290,395,405		1,303,024				385.28		19.46		130.09		21.50		33.61	
TOTAL LAST YEAR	2525	2		2,531,590,985		1,002,531				316.84		17.56		159.43		27.10		49.84	

NOTE—This is obtained by multiplying the tons one mile of this YEAR by cost in cents of ~~same~~ last year, and deducting the total cost this YEAR from the result.
Loss is shown thus *. The GAIN for the system as a whole, worked out on total tons one mile and average cost for system is $5,389,469.87.

6709 EXHIBIT 13.

This indenture, made this first day of January, one thousand eight hundred and eighty-three, by and between the Hannibal Bridge Company, a corporation organized and existing under and by virtue of the laws of the States of Illinois and Missouri, and hereinafter called the lessor company, party of the first part, and the Wabash, St. Louis and Pacific Railway Company, a consolidated corporation organized and existing under and by virtue of the laws of Ohio, Indiana, Illinois and Missouri, and the Missouri Pacific Railway Company, a corporation organized and existing under and by virtue of the laws of the State of Missouri, hereinafter called the lessee companies, parties of the second part,

Witnesseth:

First, That the said lessor company, for and in consideration of the rents, covenants and agreements hereinafter mentioned and to be by the said parties of the second part fully paid, kept and performed, hath demised and let, and by these presents doth demise and let unto the said lessee companies, all and singular the bridge of said lessor company on and over the Mississippi River, at Hannibal, Missouri, together with the railroads, turnpike or wagon roads, tunnels, bridges, culverts, and other structures belonging to said lessor company, and forming a continuous line of railway from the railroad of the said Wabash, St. Louis and Pacific Railway Company to the railroad of the said Missouri Pacific Railway Company, with all the lands, tenements, hereditaments, and appurtenances, foundations, masonry, abutments, materials, structures, equipment and property of every kind whatsoever, whether real or personal, belonging to the said lessor company, whether in the State of Missouri or in the State of Illinois, or on, in and over the Mississippi River, between the States above named; and all the rights, powers, privileges and franchises of the said lessor company therein or thereto pertaining. To have and to hold the said described and demised premises, with all the privileges and appurtenances pertaining thereto, unto the said lessee companies, parties of the second part, their successors and assigns, for and during the full term of ninety-nine years, commencing the first day of January, one thousand eight hundred and eighty-three; and also hath assigned and thereby doth assign to the said lessee companies all and singular, the rights, interests, terms of years and estates to the said lessor company given or secured under or by virtue of any and all leases, contracts and agreements entered into or held by said lessor company for the use and enjoyment of any property real or personal, in connection with or appurtenant to said bridge and its approaches, and said railroad tracks or any part thereof; all of which leases, contracts and agreements the said lessee companies hereby assume, and hereby jointly and severally covenant, promise and agree to and with the said lessor company that they will at all times hereafter, do keep and perform all acts, matters and things in and by such leases, contracts and

agreements required to be kept, done or performed by the said lessor company.

Second. The said lessee companies hereby, jointly and severally, covenant and agree to and with the said lessor company to pay to the said lessor company through its proper officers, in the City of New York, as and for the rental of the premises hereby demised: (1) The sum of sixty-eight thousand dollars, lawful money of the United States of America, in each and every year of the term hereby created, the said sum to be paid in equal quarterly installments on the first days of January, April, July and October, in each year from and after the date of these presents, free and clear of all taxes or other charges. (2) All taxes, assessments and other like charges laid or imposed upon the corporate property and franchises of said lessor company, and upon the premises hereby demised or any part thereof, or upon the revenues or earnings of the same during the term hereby created.

Third. The said lessee companies do further jointly and severally covenant and agree to and with the said lessor company that all surplus earnings arising from the use and operation of the premises hereby demised shall be paid to the Mercantile Trust Company of the City of New York, or such other trustees as may be agreed on by the parties hereto, until the aggregate of sums so paid shall amount to the sum of one hundred thousand dollars, which sum shall thereafter remain in the hands of said trustee, or any successor who may be agreed on by the parties hereto, as security for the performance by the lessees herein of their covenants under this
6710 lease. The said lessee companies further, jointly and severally, covenant and agree that the sums so paid in for account of said trust shall not be less than ten thousand dollars in each year after the execution of this lease until the said sum of one hundred thousand dollars is made up.

It is further mutually understood and agreed that all interest upon said sum of one hundred thousand dollars which may be paid by said trustee shall be paid and belong to the lessee companies in the proportion in which the said sum of one hundred thousand dollars shall have been paid in by them respectively.

Fourth. It is hereby mutually covenanted and agreed by and between the parties hereto, the parties of the second part covenanting jointly and severally, that the said lessee companies shall and will maintain and keep the premises hereby demised and every part thereof in good condition and at their own expense make all necessary repairs and renewals of the same promptly, including all renewals and repairs which may become necessary from fire, floods, collisions, or whatever accident or cause, and the rebuilding of the demised premises in case of their destruction in whole or in part, and operate and use the same for the purpose for which the said lessor company holds the same and shall and will indemnify and save harmless the said lessor company of and from any and all claims for damages arising out of said operation or use. All permanent improvements and additions to the property hereby demised,

shall upon the termination of this lease, become the property of said lessor company.

Fifth. It is further mutually understood and agreed that in case of default by said lessee companies in any of the matters or things herein contained or provided for, and the continuance of such default for sixty days, the said lessor company shall have the right to enter upon all and singular the premises hereby demised, and the same to repossess and enjoy in the same manner as if these presents had not been made, and to recover from the said lessee companies such amount as may be necessary to put the property in its present condition, in addition to all other damages.

Porvided, however, that if at any time within said sixty days the lessee company not in default shall make the payment or perform the agreement *is* respect to which default may have been made, then in such case the party so making good the default of the other shall thenceforth be solely entitled to all the benefit of the provisions of this lease in the same manner and to the same effect as if it had been named herein as sole lessee.

It is further provided, that if default is made it shall not release the said lessee companies, or either of them from any of the covenants, conditions and agreements herein contained.

Sixth. That the said lessor company shall and will make such provision as may be required for the payment of salaries of its necessary officers, and shall and will do all and singular such acts and things as may be necessary or required by law to maintain and renew or extend its corporate existence.

In Witness Whereof, the said parties have caused their respective corporate seals to be affixed to these presents, (except that the Hannibal Bridge Company has no corporate seal), and the same to be subscribed in their names on their behalf by their respective Presidents and Secretaries the day and year first above written.

THE HANNIBAL BRIDGE COMPANY,
By ALEX. M. WHITE, *President.*

Attest:
ALFRED T. WHITE, *Secretary.*

THE WABASH, ST. LOUIS AND PACIFIC RAILWAY COMPANY,
[SEAL.] By A. L. HOPKINS, 1*st Vice-President.*

Attest:
O. D. ASHLEY, *Secretary.*

THE MISSOURI PACIFIC RAILWAY COMPANY,
[SEAL.] By JAY GOULD, *Pres.*

Attest:
A. H. CALEF, *Secretary.*

I certify that this is a true copy of the original contract on file in Auditor's Office.

T. J. TOBIN, *Auditor.*

6711 EXHIBIT 14.

Whereas, the Hannibal Bridge Company did on the first day of January 1893, enter into a lease with the Wabash, St. Louis and Pacific Railway Company and the Missouri Pacific Railway Company whereby the said Bridge Company demised and let unto the said two Railway Companies for a period of ninety-nine years, all and singular the Bridge of said lessor company on and over the Mississippi River, at Hannibal, Missouri, together with other rights, leases and properties thereto appertaining, all of which is more fully set forth and described in said lease, and said Railway Companies did by said lease covenant to pay an annul rental of $38,000 and did enter into other covenants in said lease set forth which said lease was duly executed by said Bridge Company and said Railway Companies on the date aforesaid, and

Whereas, The Wabash Railroad Company has succeeded to all the rights, obligations and duties of said Wabash, St. Louis and Pacific Railway Co., under and pursuant to said lease, and

Whereas, said Railway Companies are desirous that all the rights and duties arising under said lease should accrue to and be assumed by said Wabash Railroad Company,

Now, This Agreement Witnesseth:

That said Wabash Railroad Company, for and in consideration of the assignment to it by said Missouri Pacific Railway Company of all its rights, powers and privileges under the terms of said lease, does hereby covenant and agree to pay all the rental and charges arising under the terms of said lease and to perform all the covenants thereof and to save the said Missouri Pacific Railway Company free and harmless from all expenses, charges or obligations of any kind which may at any time arise under or by reason of said lease or the covenants therein contained and the said Missouri Pacific Railway Company for and — consideration of said covenant and promise of said Wabash Railroad Company hereinbefore set forth, does hereby assign, transfer and set over to said Wabash Railroad Company, the said hereinbefore described lease and also all the rights, titles, property, powers and privileges which the said Missouri Pacific Railway Company now has or may at any time have by, under or pursuant to the terms of said lease.

This agreement and all rights, covenants, and assignments herein contained are to take effect on the first day of January, 1898.

In Witness Whereof, the said Railroad Companies have caused their respective corporate seals to be affixed to these presents and the

same to be subscribed in their names on their behalf by their respective Presidents and Secretaries, this 31st day of December, 1897.

THE WABASH RAILROAD CO.,
By O. D. ASHLEY, *President.*

Attest:

J. C. OTTESON, *Secretary.*

THE MISSOURI PACIFIC RY. CO.,
By GEO. J. GOULD, *President.*

Attest:

A. H. CALEF, *Secretary.*

Copy.

I certify that this is a true copy of the original contract on file in Auditor's Office.

M. J. TOBIN, *Auditor.*

6712 EXHIBITS 15, 16, 17.

Annual Reports.

See pages 6735 to 7042, inc.

EXHIBIT 18.

Missouri Maximum Rate Case.

Rentals Paid and Received in Connection with Operation of Road.

RENTALS PAID.

Name of road.	Between—	Year 1904.	Year 1905.
St. Louis, Council Bluffs & Omaha R. R.	Chillicothe to Pattonsburg	25,260.00	25,260.00
Louisiana & Pike County R. R.	Maysville to Pittsfield	800.00	1,600.00
Chicago & Western Indiana R. R.	Chicago to State Line	193,594.67	223,547.96
Chicago Terminal Transfer R. R.	State Line to Clarke Jct.	12,000.00	12,000.00
Chicago, Burlington & Quincy R. R.	Camp Point to Quincy	8,300.25	8,312 82
" " "	East Hannibal to Quincy	13,500.00	13,500.00
Toledo, Peoria & Western R. R.	Fairbury to Forrest	6,000.00	6,000.00
" " "	Elvaston to Hamilton	6,000.00	6,000 00
Detroit Union Depot Co.	Detroit Terminals	64,426.80	64,426.80
Fort St. Union Depot Co.	Detroit Passenger Station	63,071.29	52,681.98
Grand Trunk Ry.	Detroit to Suspension Bridge	307,091.56	307,996.86
Erie Railroad	Suspension Bridge to Buffalo	45,000.00	45,000.00
Lehigh Valley R. R.	Buffalo Terminals	8,650.00	8,650.00
Missouri, Kansas & Texas Ry.	Hannibal to Moberly	26,755.02	26,755.00
Union Pacific R. R.	Council Bluffs to Omaha	8,989.78	5,991.94
Ann Arbor R. R.	Milan to Toledo	20,000.00	20,000.00
Chicago, Burlington & Quincy R. R.	Kansas City Bridge	30,000.00	30,000.00
	Total	839,439.37	857,723.36

RENTALS RECEIVED.

Chicago, Burlington & Quincy R. R.	Moulton to Bloomfield	12,000.00	12,000.00
St. Louis, Kansas City & Colorado R. R.	Forest Park to 18th St., St. Louis	30,000.00	30,000.00
Missouri & Louisiana R. R.	Excello to Ardmore	2,500.00	1,875.00
Rent of Wabash Elevator at Chicago	...	15,000.00	15,000.00
Cincinnati, Hamilton & Dayton R. R.	Decatur to Boody	14,000.00	14,000.00
	Total	73,500.00	72,875.00
	Net Rentals paid	$765,939.37	$784,848.36

Ex. 19.

State of Missouri—Maximum Freight Rate Matter. Missouri Pacific Railway Company.

Statement of Missouri's Proportion of the Freight Earnings of the Missouri Pacific Railway Company, also Tons One Mile, etc., Month of October, 1905.

Character of freight.	1 Number of tons.	2 Percentage of total tons.	3 Revenue (gross).	4 Percentage of total revenue.	5 Average amount received per ton.	6 Number of tons one mile.	7 Percentage of total ton miles.	8 Average amount received per ton per mile (cents).	9 Average length of haul (miles).
Interstate:									
1. Carload	442,261	72.44	$305,905.31	60.15	$ .6917	45,884,346	81.47	.6667	104
2. Less-than-carload	17,240	2.82	71,799.59	14.12	4.1647	2,561,335	4.55	2.8032	148
3. Total Interstate	459,501	75.26	$377,704.90	74.27	$ .8220	48,445,681	86.02	.7796	105
State:									
4. Carload	141,640	23.20	$82,813.92	16.29	$ .5847	6,804,832	12.08	1.2170	48
5. Less-than-carload	9,393	1.54	48,023.64	9.44	5.1125	1,068,074	1.90	4.4963	114
6. Total State	151,033	24.74	$130,837.56	25.73	$ .8663	7,872,906	13.98	1.6619	52
7. Total Interstate and State	610,534	100.	$508,542.46	100.	$ .8329	56,318,587	100.	.9030	92
8. Total Carload	583,901	95.64	$388,719.23	76 44	$ .6657	52,689,178	93.55	.7378	90
9. Total less-than-carload	26,633	4 36	$119,823.23	23.56	$4.4990	3,629,409	6.45	3.3015	136

10. Ratio of Revenue per ton per mile on Less-than-carload Interstate freight to Less-than-carload State freight..... 62.34%
11. " " " " Carload " " " Carload " " 54.78%
12. " " " " " " " " Less-than-carload Interstate freight..... 23.78%
13. " " " " " State " " " " State freight..... 27.07%
14. " " " " " Interstate " " " " " 14.83%
15. " " " " all Interstate freight to all State freight..... 46.91%
16. " " " " " Carload " " " Less-than-carload freight..... 22.34%

Ex. 20.

State of Missouri—Maximum Freight Rate Matter.

The Wabash Railroad Company.

Statement of Gross Earnings, Operating Expenses, and Net Earnings of the Freight Business of the Wabash Railroad Company, in Missouri, for the Calendar Year 1905, *on the Following Basis:*

First. That of the interstate freight earnings of $2,057,787.58, as shown by Exhibit #4, 80.99%, or $1,666,602.16, was derived from carload business, and 19.01%, or $391,185.42, from less-than-carload business (these being the percentages in the case of the Missouri Pacific Railway Company, which the revenue from Interstate carload business and Interstate less-than-carload business are of the total Interstate freight revenue, as shown by Exhibit #19).

Second. That of the State freight earnings of $717,221.68, as shown by Exhibit #4, 63.30%, or $454,001.33, was derived from carload business, and 36.70%, or $263,220.35, from less-than-carload business (these being the percentages in the case of the Missouri Pacific Railway Company, which the revenue from the State carload business and State less-than-carload business are of the total State revenue, as shown by Exhibit #19).

Third. That the Wabash Railroad Company's earnings, in Missouri, from Interstate carload business averaged .6667 cents per ton per mile, or the same as the earnings per ton per mile of the Missouri Pacific Railway Company from its Interstate carload business, in Missouri, as shown by Exhibit #19.

Fourth. That the Wabash Railroad Company's earnings, in Missouri, from Interstate less-than-carload business averaged 2.8032 cents per ton per mile, or the same as the earnings per ton per mile of the Missouri Pacific Railway Company from its Interstate less-than-carload business, in Missouri, as shown by Exhibit #19.

Fifth. That the Wabash Railroad Company's earnings, in Missouri, from State carload business averaged 1.2170 cents per ton per mile, or the same as the earnings per ton per mile of the Missouri Pacific Railway Company from its State carload business, in Missouri, as shown by Exhibit #19.

Sixth. That the Wabash Railroad Company's earnings, in Missouri, from State less-than-carload business averaged 4.4963 cents per ton per mile, or the same as the earnings per ton per mile of the Missouri Pacific Railway Company from its State less-than-carload business, in Missouri, as shown by Exhibit #19.

Seventh. That the Operating Expenses assignable to the freight revenue, bore the same relation to the Total Operating Expenses, in Missouri, that the Freight Revenue bore to the Gross Earnings in the State, as shown by Exhibit #4, namely 52.47%.

Eighth. That the Total Operating Expenses of the State carload business were twice as much per ton per mile as the Total Operating Expenses of the Interstate carload business.

Ninth. That the Total Operating Expenses of the less-than-carload business, both Interstate and State, were three (3) times, five (5) times, or seven (7) times as much per ton per mile as the Total Operating Expenses of the Interstate carload business.

		Operating expenses divided on basis of State carload business costing twice and *all* less-than-carload business three times as much per ton per mile as interstate carload business.		Operating expenses divided on basis of State carload business costing twice and *all* less-than-carload business five times as much per ton per mile as interstate carload business.		Operating expenses divided on basis of State carload business costing twice and *all* less-than-carload business seven times as much per ton per mile as interstate carload business.	
		Per ton per mile.	Total amount.	Per ton per mile.	Total amount.	Per ton per mile.	Total amount.
1.	Interstate carload business:						
	Gross Earnings	.006667	$1,666,602.16	.006667	$1,666,602.16	.006667	$1,666,602.16
	Operating Expenses	.005971	1,492,595.44	.005412	1,352,965.55	.004949	1,237,180.49
	Net Earnings		$174,006.72		$313,636.61		$429,421.67
2.	Interstate less-than-carload business:						
	Gross Earnings	.028032	$391,185.42		$391,185.42		$391,185.42
	Operating Expenses		249,912.29		377,619.77		483,545.90
	Net Earnings		$141,273.13		$13,565.65		$92,360.48

	Operating expenses divided on basis of State carload business costing twice and *all* less-than-carload business three times as much per ton per mile as interstate carload business.		Operating expenses divided on basis of State carload business costing twice and *all* less-than-carload business five times as much per ton per mile as interstate carload business.		Operating expenses divided on basis of State carload business costing twice and *all* less-than-carload business seven times as much per ton per mile as interstate carload business.	
	Per ton per mile.	Total amount.	Per ton per mile.	Total amount.	Per ton per mile.	Total amount.
3. State carload business:						
Gross Earnings	.012170	$454,001.33		$454,001.33		$454,001.33
Operating Expenses		445,485.86		403,757.38		389,136.51
Net Earnings		$8,515.47		$50,243 95		$64,864.82
4. State less-than-carload business:						
Gross Earnings	.044963	$263,220.35		$263,220.35		$263,220.35
Operating Expenses		104,779.75		158,430.64		202,910.44
Net Earnings		$158,440.60		$104,789.71		$60,309.91
5. Total interstate business:						
Gross Earnings		$2,057,787.58		$2,057,787.58		$2,057,787.58
Operating Expenses		1,742,507.73		1,730,585.32		1,720,726.39
Net Earnings		$315,279.85		$327,202 26		$337,061.19
6. Total State business:						
Gross Earnings		$717,221.68		$717,221.68		$717,221.68
Operating Expenses		550,265.61		562,188.02		572,046.95
Net Earnings		$166,956.07		$155,033.66		$145,174 73

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7. Total interstate and State business:			
Gross Earnings	$2,775,009.26	$2,775,009.26	$2,775,009.26
Operating Expenses	2,292,773.34	2,292,773.34	2,292,773.34
Net Earnings	$482,235.92	$482,235.92	$482,235.92
8. Ration of operating expenses to gross earnings:			
Interstate Carload Business	89.56%	81.18%	74.23%
Interstate less-than-carload business	63.89%	98.53%	123.61%
All interstate business	84.68%	84.10%	83.62%
State Carload Business	98.12%	88.93%	81.31%
State less-than-carload Business	39.81%	60.19%	77.09%
All State Business	76.72%	78.38%	79.76%
All Freight Business	82.62%	82.62%	82.62%

9. Ton miles:	
Interstate Carload	249,977,825
Interstate Less-than-carload	13,954,959
Total Interstate	263,932,784
State Carload	37,304,957
State less-than-carload	5,854,155
Total State	43,159,112
Total Interstate and State	307,091,896

6717 EXHIBIT 20a.

The figures .005971 operating expenses per ton mile for Interstate carload business are arrived at thus: We find the Interstate carload ton miles which is reached by dividing the Interstate carload earnings, $1,666,602.16 by the revenue per ton mile, as shown by the Missouri Pacific .006667; this is 249,977,825 ton miles. We then find the State carload ton miles by dividing the State carload earnings $454,001.33 by the revenue per ton per mile as shown by the Missouri Pacific .012170; this is 37,304,957 ton miles. Upon the theory that State carloads cost twice as much to handle as Interstate carloads, we multiply the last figure by two; this is 74,609,914 ton miles.

We then find the Interstate less-than-carload ton miles by dividing the Interstate less-than-carload earnings $391,185.42 by the revenue per ton mile, as shown by the Missouri Pacific, .028032; this is 13,954,959 ton miles.

We then find the State less-than-carload ton miles by dividing the State less-than-carload earnings $263,220.35 by the revenue per ton mile, as shown by the Missouri Pacific, .044963; this is 5,854,155 ton miles.

We add together the ton miles Interstate less-than-carload and State less-than-carload ton miles:

13,954,959
5,854,155

19,809,114

Then multiply this by three, upon the theory that *all* less-than-carload costs to handle three times as much as Interstate carload:

19,809,114
3

59,427,342

Then add Interstate carload ton miles, and State carload ton miles multiplied by two and all less-than-carload ton miles multiplied by three:

249,977,825
74,609,914
59,427,342

384,015,081

Divide the last figure into the total freight operating expenses 2,292,773.34 and you will have the cost per ton per mile of Interstate carload business, that is .005971, which is the unit—

6718 Twice this is the cost per ton per mile for State carload business, and three times this is the cost per ton mile for *all* less-than-carload business.

EXHIBIT No. 21.

State of Missouri—Maximum Freight Rate Matter.

The Wabash Railroad Company.

Statement of Gross Earnings, Operating Expenses, and Net Earnings of the Freight Business of the Wabash Railroad Company in Missouri for the Calendar Year 1905 *on the Following Basis:*

First. That of the interstate freight earnings of $2,057,787-58, as shown by Exhibit #4, 80.99%, or $1,666,-602.16, was derived from carload business, and 19.01%, or $391,185.42, from less-than-carload business, (these being the percentages in the case of the Missouri Pacific Railway Company, which the revenue from Interstate carload business and Interstate less-than-carload business are of the total Interstate freight revenue, as shown by Exhibit #19).

Second. That of the State freight earnings of $717,221.68, as shown by Exhibit #4, 63.30%, or $454,001.33 was derived from carload business, and 36.70%, or $263,220.35, from less-than-carload business, (these being the percentages in the case of the Missouri Pacific Railway Company, which the revenue from the State carload business and State less-than-carload business are of the total State revenue, as shown by Exhibit #19).

Third. That the Wabash Railroad Company's earnings, in Missouri, from Interstate carload business averaged .6667 cents per ton per mile, or the same as the earnings per ton per mile of the Missouri Pacific Railway Company from its Interstate carload business, in Missouri, as shown by Exhibit #19.

Fourth. That the Wabash Railroad Company's earnings, in Missouri, from Interstate less-than-carload business averaged 2.8032 cents per ton per mile, or the same as the earnings per ton per mile of the Missouri Pacific Railway Company from its Interstate less-than-carload business, in Missouri, as shown by Exhibit #19.

Fifth. That the Wabash Railroad Company's earnings, in Missouri, from State carload business averaged 1.2170 cents per ton per mile, or the same as the earnings per ton per mile of the Missouri Pacific Railway Company from its State carload business, in Missouri, as shown by Exhibit #19.

Sixth. That the Wabash Railroad Company's earnings, in Missouri, from State less-than-carload business averaged 4.4963 cents per ton per mile, or the same as the earnings per ton per mile of the Missouri Pacific Railway Company from its State less-than-carload business, in Missouri, as shown by Exhibit #19.

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Seventh. That the operating Expenses assignable to the freight revenue bore the same relation to the Total Operating Expenses, in Missouri, that the Freight Revenue bore to the Gross Earnings in the State, as shown by Exhibit #4, namely 52.47%.

Eighth. That of the Total Operating Expenses in connection with State carload business, that portion known as "Conducting Transportation" was two (2) times, or five (5) times as much per ton per mile as on Interstate carload business.

Ninth. That of the Total Operating Expenses in connection with the less-than-carload business, both Interstate and State, that portion known as "Conducting Transportation" was three (3) times, five (5) times, seven (7) times, or fifteen (15) times as much per ton per mile as on Interstate carload business.

	Operating expenses divided on basis of conducting transportation part of same on State carload business costing twice, and on *all* less-than-carload business three times as much per ton per mile as on interstate carload business.		Operating expenses divided on basis of conducting transportation part of same on State carload business costing twice, and on *all* less-than-carload business five times as much per ton per mile as on interstate carload business.		Operating expenses divided on basis of conducting transportation part of same on State carload business costing twice, and on *all* less-than-carload business seven times as much per ton per mile as on interstate carload business.		Operating expenses divided on basis of conducting transportation part of same on State carload business costing five, and on *all* less-than-carload business fifteen times as much per ton per mile as on interstate carload business.	
	Per ton per mile.	Total amount.	Per ton per mile.	Total amount.	Per ton per mile.	Total amount.	Per ton per mile.	Total amount.
Interstate Carload Business:								
Gross Earnings	.006667	$1,666,602.16	.006667	$1,666,602.16	.006667	$1,666,602.16	.006667	$1,666,602.16
Operating Expenses		1,630,620.40		1,531,114.04		1,442,842.26		1,035,875.00
Net Earnings		$35,981.76		$135,488 12		$223,759.90		$630,727.16
Interstate Less-than-carload business:								
Gross Earnings	.028032	$391,185 42	.028032	$391,185.42	.028032	$391,185.42	.028032	$391,185.42
Operating Expenses		196,032.12		282,698.95		359,506 86		525,045 09
Net Earnings		195,153.30		$108,486.47		31,678.56		$133,859.67

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State Carload Business:								
Gross Earnings	.012170	$454,001.33	.012170	$454,001.33	.012170	$454,001.33	.012170	$454,001.33
Operating Expenses		383,810.26		360,423.97		339,559.73		511,517.73
Net Earnings		$70,191.07		$93,577.36		$114,441.60		$57,516.40
State Less-than-carload Business:								
Gross Earnings	.044963	$263,220.35	.044963	$263,220.35	.044963	$263,220.35	.044963	$263,220.35
Operating Expenses		82,310.56		118,536.38		150,864.49		220,335.52
Net Earnings		$180,909.79		$144,683.97		$112,355.86		$42,884.83
Total Interstate Business:								
Gross Earnings		$2,057,787.58		$2,057,787.58		$2,057,787.58		$2,057,787.58
Operating Expenses		1,826,652.52		1,813,812.99		1,802,349.12		1,560,920.09
Net Earnings		$231,135.06		$243,974.59		$255,438.46		$496,867.49
Total State Business:								
Gross Earnings		$717,221.68		$717,221.68		$717,221.68		$717,221.68
Operating Expenses		466,120.82		478,960 35		490,424.22		731,853.25
Net Earnings		$251,100.86		$238,261.33		$226,797.46		$14,631.57
Total Interstate and State Business:								
Gross Earnings		$2,775,009.26		$2,775,009.26		$2,775,009.26		$2,775,009.26
Operating Expenses		2,292,773.34		2,292,773.34		2,292,773.34		2,292,773.34
Net Earnings		$482,235.92		$482,235.92		$482,235.92		$482,235.92
Ratio of Operating Expenses to Gross Earnings:								
Interstate Carload Business		97.84%		91.87%		86.57%		62.15%
Interstate Less-than-carload Business		50.11%		72.27%		91.90%		134.22%
All Interstate Business		88.77%		88.14%		87.59%		75.85%
State Carload Business		84 54%		79.39%		74.79%		112.67%
State Less-than-carload Business		31.27%		45.03%		57.32%		83 71%
All State Business		64.99%		66 78%		68.38%		102.04%
All Freight Business		82.62%		82.62%		82.62%		82.62%

Ton Miles:	
Interstate Carload	249,977,825
Interstate Less-than-carload	13,954,959
Total Interstate	263,932,784
State Carload	37,304,957
State less-than-carload	5,854,155
Total State	43,159,112
Total Interstate and State	307,091,896

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6721 EXHIBIT #22. L. M. E.

State of Missouri—Maximum Freight Rate Matter.

The Wabash Railroad Company.

Statement of Freight Earnings, Freight Expenses, and Net Earnings of the Freight Business of the Wabash Railroad Company in Missouri for the Calendar Year 1904, *on the Following Basis.*

The freight earnings are made up of the Freight Revenue, as shown by Exhibit #4, and the Miscellaneous Freight Earnings, as shown by Exhibit # 6.

The Total Ton Miles were established by dividing the Total Freight Revenue by .7181 cents,—the average earnings per ton per mile realized by the Wabash Railroad Company in the year ended June 30, 1906, on all of its freight business, in Missouri. The Ton Miles of State Freight were established by dividing the State Freight Revenue by 1.6619 cents,—the average earnings per ton per mile of the Missouri Pacific Railway Company on all of its State freight, in Missouri, in the month of October, 1905. The Ton Miles of State freight were deducted from the Total Ton Miles and the remainder treated as Interstate ton miles.

The Freight Expenses were established by multiplying the ton miles of freight by 49.18 cents—the average cost per 100 tons one mile in Missouri in the year ended June 30, 1906, based on *revenue* ton miles, and the freight expenses testified to by Mr. Tobin (less $113,040 appropriated for new equipment, but not expended in that year) and have been divided between Interstate and State freight on three bases, as follows:

First. The total operating expenses per ton per mile of State freight are assumed to be the same as the total operating expenses per ton per mile of Interstate freight.

Second. The total operating expenses per ton per mile of State freight are assumed to be *twice* as great as the total operating expenses per ton per mile of Interstate freight.

Third. The total operating expenses per ton per mile of State freight are assumed to be *three times* as great as the total operating expenses per ton per mile of interstate freight.

* Deductions: The loss which the Company claimed it would have sustained if the rates fixed by the law of 1905 had been in effect, has been reduced by the amount of loss on live stock loaded or unloaded at pens in Kansas. It has *not* been reduced by the amount which the Company would have gained if it had in all cases charged up to the rates fixed by the law of 1905.

Interstate freight:	Single cost.	Double cost.	Three cost.
Gross Earnings	$1,991,583.17	$1,991,583.17	$1,991,583.17
Operating Expenses	1,487,204.97	1,327,336.06	1,198,491.46
Net Earnings	$504,378.20	$664,247.11	$793,091.71
State freight:			
Gross Earnings	$781,082.34	$781,082.34	$781,082.34
Operating Expenses	203,668.99	363,537.90	492,382.50
Net earnings	$577,413.35	$417,544.44	$288,699.84
Total State and Interstate freight:			
Gross earnings	$2,772,665.51	$2,772,665 51	$2,772,665.51
Operating Expenses	1,690,873.96	1,690,873.96	1,690,873.96
Net Earnings	$1,081,791.55	$1,081,791.55	$1,081,791.55
Ton miles:			
Interstate freight	302,400,360		
State freight	41,412,971		
Total	343,813,331		
Ratio of operating expenses to gross earnings:			
Interstate freight	74.67%	66.64%	60.18%
State freight	26.01%	46.54%	63.03%
All freight	60.98%	60.98%	60.98%
Net Earnings on State Freight as shown above	$577,413.35	$417,544.44	$288,699.84
Deduct:			
Losses under law of 1905 as explained above	$23,631.35	$23,631.63	$23,631.63
*Taxes, as explained above	19,118.90	19,118.90	19,118.90
Total deductions	$42,750.53	$42,750.53	$42,750.53
Final net earnings	$534,662.82	$374,793.91	$245,949.31

*The taxes bear the same relation to the total taxes paid in the State that the State freight earnings bear to the total earnings in the State.

6722

EXHIBIT No. 22*a*.

State of Missouri—Maximum Freight Rate Matter.

The Wabash Railroad Company.

We have added to the Interstate and State freight earnings for 1904 and 1905, as shown by Exhibit #4, the Miscellaneous freight earnings shown in Exhibit #6, and have in that way established the total Interstate and State freight earnings for 1904 and 1905.

In the year ended June 30, 1906, the freight expenses in Missouri, as testified to by Mr. Tobin, were $2,425,347.71. This figure included 28.26% or $113,040.00, of the sum of $400,000.00 appro-

priated for new equipment in that year and charged to operating expenses. Deducting $113,040.00 from $2,425,347.71, leaves $2,312,307.71 as operating Expenses of the freight business in Missouri in the year ended June 30, 1906.

The ton miles of the Moberly Division in the year ended June 30, 1903, as shown by Exhibit #12, were 583,253,874. Eliminating the ton miles of the accounting divisions lying wholly in Iowa, and Iowa's proportion (on a road-mileage basis) of the ton miles of the accounting divisions lying partly in Iowa, leaves for Missouri 496,206,864 ton miles, including Company freight. Excluding Company freight, (5.25%) the figure is 470,158,004. Dividing the freight expenses shown above, $2,312,307.71, by the ton miles of 470,156,004, gives an average cost per 100 tons one mile of 49.18 cents, which included the cost of the service producing the Miscellaneous Freight Earnings.

The Freight revenue in Missouri in the year ended June 30, 1906, as testified to by Mr. Tobin, was $3,375,964.62. Dividing this figure by 470,156,004, ton miles gives .7181 cents as the average revenue per ton per mile received by the Wabash on all of its freight business in the State of Missouri in that year.

6723 Dividing the total freight revenue in 1904 and 1905 by the above average of .7181 cents gives the total ton miles of all freight in those years.

Multiplying these ton mile figures by the average cost per 100 tons one mile shown above, (49.18 cents) gives the total freight operating expenses for the years 1904 and 1905.

Dividing the State freight revenue by 1.6619—the average earnings of the Missouri Pacific Railway Company on all of its state business in Missouri in September, 1905, gives the ton miles of State freight, and these figures deducted from the total miles leaves the Interstate ton miles.

Multiplying the ton miles of Interstate and State freight, respectively, by the average cost per ton per mile of 49.18 cents gives the total operating expenses for each class of freight on the single-cost basis.

Assuming that the State freight costs twice as much per ton per mile as the Interstate freight, the operating expenses and net earnings of each class are shown in the colum-s headed "Double-Cost."

Assuming that the State freight costs three times as much per ton per mile as the Interstate freight, the operating expenses and net earnings of each class of freight are shown in the columns headed "Three-Cost."

The Net earnings on State freight are reduced by the following figures:

First. The losses which the Wabash Railroad Company would have sustained in 1904 and 1905 had the rates fixed by the law of 1905 been in effect (being the figures shown by Exhibit #2, reduced by the losses on live stock to and from pens in Kansas). The increases which would have resulted from charging up to the Statute rates of 1905 in all cases, are not here considered.

Second. By the taxes paid in the State of Missouri (being the

percentages of the total taxes which the State freight earnings are of the gross earnings in the State).

We have divided the State freight revenue by the average rate per ton per mile (1.6619 cents) received by the Missouri Pacific Railway Company on all of its State freight in the month of October, 1905, because we believe the Wabash must have earned as much per ton per mile on its State freight as the Missouri Pacific
6724 earned, very few changes having been made in the Intra-State rates during the period. We think the Wabash would have received considerably less per ton per mile on its Interstate freight than the Missouri Pacific received, for the reason that in the Missouri Pacific case, Missouri shared in the high rates between the Mississippi River and points west, south-west and north-west of Missouri, whereas, in the case of the Wabash, the percentages for dividing revenue between the Illinois groups and Missouri allowed Missouri, generally speaking, less than her local rates; and on the business crossing the Missouri-Iowa line, including all business between Iowa and points east of the Mississippi River, Missouri gets *less than a road-mileage prorate.*

The above method of establishing the total operating expenses ignores the figures reported by the Wabash for the years 1904 and 1905, and at one step places the operating expenses on a fair basis. It is the most satisfactory way in which to get at the expenses, as no one would contend that operating expenses of $4,369,684.21, and gross earnings of $5,288,816.36, could be fair for the calendar year 1905, when the operating expenses in the fiscal year ended June 30, 1906, (exclusive of the appropriation for new equipment) were only $3,962,458.29, with gross earnings of $5,903,225.91.

6725 EXHIBIT No. 23.

State of Missouri—Maximum Freight Rate Matter.

The Wabash Railroad Company.

Statement of Freight Earnings, Freight Expenses, and Net Earnings of the Freight Business of the Wabash Railroad Company, in Missouri, for the Calendar Year 1905, *on the Following Basis:*

The freight Earnings are made up of the Freight Revenue, as shown by Exhibit #4, and the Miscellaneous Freight Earnings, as shown by Exhibit #6.

The Total Ton Miles were established by dividing the Total Freight Revenue by .7181 cents—the average earnings per ton per mile realized by the Wabash Railroad Company in the year ended June 30, 1906, on all of its freight business in Missouri. The Ton Miles of State Freight were established by dividing the State Freight Revenue by 1.6619 cents—the average earnings per ton per mile of the Missouri Pacific Railway Company on all of its State freight, in Missouri, in the month of October, 1905. The Ton miles of State

freight were deducted from the total Ton Miles and the remainder treated as Interstate ton miles.

The Freight Expenses were established by multiplying the ton miles of freight by 49.18 cents—the average cost per 100 tons one mile in Missouri in the year ended June 30, 1906, based on *revenue* ton miles, and the freight expenses testified to by Mr. Tobin (less $113,040 appropriated for new equipment, but not expended in that year) and have been divided between Interstate and State Freight on three bases, as follows:

First. The total operating expenses per ton per mile of State freight are assumed to be the same as the total operating expenses per ton per mile of Interstate freight.

Second. The total operating expenses per ton per mile of State freight are assumed to be *twice* as great as the total operating expenses per ton per mile of Interstate freight.

Third. The total operating expenses per ton per mile of State freight are assumed to be *three times* as great as the total operating expenses per ton per mile of Interstate freight.

* Deductions: The loss which the Company claimed it would have sustained if the rates fixed by the law of 1905 had been in effect has been reduced by the amount of loss on live stock loaded or unloaded at pens in Kansas. It has *not* been reduced by the amount which the Company would have gained if it had in all cases charged up to the rates fixed by the law of 1905.

	Single cost.	Double cost.	Three cost.
Interstate freight:			
Gross earnings	$2,250,954.59	$2,250,954.59	$2,250,954.59
Operating expenses	1,688,255.90	1,518,690.11	1,379,953.56
Net earnings	$562,698.69	$732,264.48	$871,001.03
State freight:			
Gross earnings	$794,043 81	$794,043.81	$794,043.81
Operating expenses	212,244.80	381,810.59	520,547.14
Net earnings	$581,799.01	$412,233.22	$273,496.67
Total State and Interstate freight:			
Gross earnings	$3,044,998.40	$3,044,998.40	$3,044,998.40
Operating expenses	1,900,500.70	1,900,500.70	1,900,500.70
Net earnings	$1,144,497.70	$1,144,497.70	$1,144,497.70

Ton miles:	
Interstate freight	343,280,989
State freight	43,156,730
Total	386,437,719

* The taxes bear the same relation to the total taxes paid in the State that the State freight earnings bear to the total earnings in the State.

Ratio of operating expenses to gross earnings:			
Interstate freight	75.00%	67.46%	61.30%
State freight	26.72%	48.08%	65.55%
All freight	62.41%	62.41%	62.41%
Net earnings on State freight as shown above	$581,799.01	$412,233.22	$273,496.67
Deduct:			
Losses under law of 1905 as explained above	$27,613.50	$27.613.50	$27,613.50
Taxes, as explained above	24,033.40	24,033 40	24,033.40
Total deductions	$51,646.90	$51,646.90	$51,646.90
Final net earnings	$530,152.11	$360,586.32	$221,849.77

6726

EXHIBIT No. 24.

State of Missouri—Maximum Freight Rate Matter.

The Wabash Railroad Company.

Statement of Intrastate Freight Earnings, Expenses, and Net Earnings in the State of Missouri, Year Ended December 31, 1905.

Earnings, as shown in Exhibit- 4 and 6:	
Freight Revenue	$717,221.68
Freight—Miscellaneous	76,822.13
Total Freight Earnings	$794,043.81
Ratio to Total Freight Earnings in the State, 26.08%.	
Operating Expenses—(Freight Expenses 56.56% of total Operating Expenses):	
Maintenance of Way and Structure	$142,881.96
Maintenance of Equipment	129,689.73
Conducting transportation	303,499.69
Loss and Damage to Persons and Property	36,449.55
General Offices	22,476.35
Mileage of Cars	9,568.20
Total Expenses applicable to above earnings.	$644,565.48
Ratio to Total Freight Expenses in the State, 26.08%.	
Net Earnings	$149,478.33

If the Maintenance of Way and Structure Expenses had been divided on a road-mileage basis, which on account of the greater density of traffic east of the Mississippi River would have been more than fair to the company, these expenses would have been $19,844.71 less than the figures of $142,881.96 shown above, and the net earnings would have been increased to $169,323.04.

After deducting the excess charge, on a road-mileage basis, for Maintenance of Way and Structures, the ratio of operating expenses to earnings is 78.68%. The corresponding figure for Interstate Commerce Commission Group No. 6, for the year ended June 30, 1904, is 65.90% and for the year ended June 30, 1903, 62.72%. This group embraces Illinois, Wisconsin, Minnesota, Iowa, parts of North and South Dakota and the portion of Missouri lying north of the Missouri River, and includes the Wabash lines west of Danville, Illinois.

Applying the percentage of 65.90 to the Intrastate Freight Earnings for 1905 as shown above, would produce a figure for operating expenses of $523,274.88, and leave Net Earnings of $270,768.93.

If from the net earnings of $270,768.93 there be deducted taxes amounting to $24,033.40 (being 15.01% of the total taxes paid in the State) and $27,613.50, the amount which the company claims it would have lost had the new rates been in effect ($36,574.10 less $8,960.60 covering live stock loaded or unloaded in Kansas), there would still remain the sum of $219,122.03.

This showing assumes that the State freight earnings cost as much, in proportion to revenue, as the Interstate freight earnings, but the higher revenue per ton per mile on State as compared with Interstate freight should be considered.

6727 **Ex. 25.**

State of Missouri—Maximum Freight Rate Matter.

Statement of Gross Earnings, Maintenance of Way and Structures, and Maintenance of Equipment Expenditures Per Mile of Line Operated of All Railroads in the United States for the Eleven Years Ended June 30, 1904, Showing Increase in Each of the Different Items During the Ten Years Ended That Date.

Year.	Per mile of line operated. Gross earnings.	Maintenance of way and structures.	Maintenance of equipment.
1894	$6,109.00	$817.61	$642.35
1895	6,050.00	809.41	643.52
1896	6,320.00	876.53	738.77
1897	6,122.00	861.11	671.41
1898	6,755.00	931.54	769.00
1899	7,005.00	952.98	804.09
1900	7,722.00	1,088.32	945.12
1901	8,123.00	1,173.51	981.56
1902	8,625.00	1,241.16	1,066.71
1903	9,258.00	1,297.58	1,171.90
1904	9,306.00	1,231.26	1,259.52
Increase in ten years	$3,197.00	$413.65	$617.17
Percentage of increase	52.33	50.59	96.08

State of Missouri—Maximum Freight Rate Matter.

Revenue Per Ton Per Mile (in Cents) under the Rates Fixed by the Act of 1905.

Distance (miles).	Horses and mules.	Cattle and calves.	Hogs, single deck.	Sheep, single deck.	Sheep, double deck.	Agricultural implements, furniture, and wagons.	Grain, flour lime, salt, cement, water lime, stucco, lumber, lath, and shingles.
25	2.27	2.40	2.62	4.52	2.40	5.60	4.00
50	1.70	1.80	2.27	3.40	1.80	3.20	2.20
75	1.39	1.46	1.84	2.90	1.46	2.40	1.60
100	1.28	1.30	1.64	2.46	1.30	2.00	1.30
125	1.13	1.20	1.51	2.27	1.20	1.76	1.12
150	1.07	1.13	1.43	2.14	1.13	1.60	1.00
175	1.02	1.08	1.37	2.05	1.08	1.48	.91
200	.99	1.05	1.32	1.99	1.05	1.40	.85
225	.96	1.02	1.29	1.93	1.02	1.33	.80
250	.94	1.00	1.26	1.89	1.00	1.28	.76
275	.93	.98	1.24	1.86	.98	1.23	.72
300	.91	.96	1.22	1.83	.96	1.20	.70
325	.90	.95	1.20	1.80	.95	1.16	.67
350	.89	.94	1.19	1.78	.94	1.14	.65

NOTE.—In the case of live stock the figures shown above are based on the minimum weights prescribed by the Board of Railroad and Warehouse Commissioners for 36-foot cars. Figures based on minimum weights for 34-foot cars would be higher than those shown above by about six per cent.

The figures on agricultural implements, also on grain, etc., are based on the carload minima fixed by the Act of 1905.

NOTE.—The earnings per ton per mile in Missouri on Interstate carload freight as shown by the statement prepared from Missouri Pacific Railway records, averaged .667 cents, or less than the lowest figure shown above except for the 350-mile haul of grain, etc. (The average earnings per ton per mile on "Through" Interstate business would be considerably less.) If the cost of the Interstate carload business was fifty per cent of the revenue derived therefrom, then the cost of that business was .333 cents per ton per mile. And even if the cost per ton per mile on state carload business is twice as much as on Interstate carload business, then the cost per ton per mile of that business would be .667 cents, or less than the lowest rate shown above except for the 350-mile haul of grain, etc.

The Missouri Pacific figure of .667 cents per ton per mile on Interstate carload business is based on an average haul of 104 miles, and might properly be compared with the figures shown above for a distance of 100 miles.

6729 EXHIBIT No. 27.

State of Missouri—Maximum Freight Rate Matter.

The Wabash Railroad Company.

Actual Earnings of Intrastate Freight Forwarded from Certain Stations During the Month of October, 1905, Compared with Amounts Which Would Have Been Earned on the Same Freight if Missouri Statute Rates Had Been Applied.

Stations.	Actual earnings.	Earnings under Missouri statute rates.
Carrollton	$669.40	$606.67
Palemon	65.29	29.70
Norborne	826.64	567.24
Hardin	159.05	116.63
Lexington Junction	49.99	37.30
Camden	482.72	679.22
Orrick	312.72	270.20
Miltondale	80.46	67.24
Excelsior Springs	310.48	320.00
Milwaukee Junction	19.08	19.08
Missouri City	624.71	686.20
South Liberty	86.44	128.90
Birmingham	135.48	114.48
Randolph	.75	.75
Clifton	43.38	43.38
Salisbury	680.44	648.80
Forest Green	29.80	30.36
Glasgow	1,062.86	1,129.87
Keytesville	165.70	136.41
Dalton	364.64	272.50
Brunswick	656.21	666.72
Triplett	18.21	18.21
Sumner	139.15	146.09
Fountain Grove	7.76	7.76
Bedford	.25	.25
Norville	15.20	27.00
Huntsville	3,361.95	4,413.56
Total	$10,388.76	$11,189.52

6730

Ex. 28.

State of Missouri—Maximum Freight Rate Matter.

The Wabash Railroad Company.

Statement Showing the Tonnage in and out of Certain Local Stations in Missouri During the Month of September, 1906, as Shown by Waybills of the Company.

Stations.	State (in pounds).	Interstate (in pounds).
Carrollton	2,482,994	2,070,593
Centralia	2,030,492	1,916,892
Orrick	1,024,058	496,049
St. Charles	5,550,092	14,210,577
Stanberry	2,136,982	1,811,017
Total	13,224,618	20,505,128
St. Charles—Manufactured Cars	6,060,000	1,540,000
Total	19,284,618	22,045,128
Per cent of Total	46.66%	53.34%

NOTE.—The Interstate Tonnage at Carrollton, Centralia, Orrick and Stanberry is over 45% of Total Tonnage at those points.

6731

Ex. 30.

State of Missouri—Maximum Freight Rate Matter.

The Wabash Railroad Company.

Statement Showing the Number of Miles of Railroad Per One Hundred (100) *Square Miles of Territory and Per Ten Thousand* (10,000) *Inhabitants, in Certain States, with Population Per Mile of Road, at June* 30, 1904.

States.	Number of miles of line per 100 square miles of territory.*	Number of miles of line per 10,000 inhabitants.*	Population per mile of road.
Indiana	19.26	25.75	389
Ohio	22.56	20.70	483
Illinois	20.75	22 56	443
Arkansas	7.78	29.44	339
Iowa	17.77	41.34	242
Kansas	10.79	56.09	178
Minnesota	9.86	41.75	239
Missouri	11.22	23.23	431
Nebraska	7.58	51.10	196
Michigan	15.08	33.48	299
South Dakota	3.97	71.01	141

*The figures in these columns are taken from the Statistical Report of the Interstate Commerce Commission for the year ended June 30, 1904. The population per mile of road is based on the figures submitted in the same report.

6732 EXHIBIT 31.

State of Missouri—Maximum Freight Rate Matter.

The Wabash Railroad Company.

Statement of Tonnage of Carload Freight (on a Ton-mile Basis) Handled in Missouri by the Missouri Pacific Railway, as a Result of Way-bills Made on October 1, 2, and 3, 1905.

Character of freight.	Total tons one mile.	Percentage of total ton-miles.
"Through" interstate	1,358,754.038	37.021
"Second class" interstate	1,763,755.049	48.056
Total interstate	3,122,509.087	85.077
State	547,726.027	14.923
Total interstate and State	3,670,235.114	100.000

6733 Ex. 32.

Statement of the Assessed Valuation of Local Property of the Wabash Railroad Company in the State of Missouri for the Taxes of 1906.

Audrain County	$1,980.00
Boone "	7,000.00
Chariton "	310.00
Clay "	1,835.00
Jackson "	2,040.00
Livingston "	6,906.00
Macon "	1,010.00
Marion "	225.00
Montgomery "	3,470.00
Randolph "	351,800.00
St. Charles "	17,200.00
St. Louis City	406,690.00
Total	$800,690.00

STATE OF MISSOURI:

OFFICE OF STATE AUDITOR.

I, Wm. W. Wilder, State Auditor, do hereby certify that the foregoing is a true and correct statement of the assessed valuation of the property of the Wabash Railroad Company, in the State of Missouri, for the taxes of 1906, as assessed by the local Assessors of the above named Counties and the City of St. Louis, as is provided by section #9360, R. S. 1899 as shown by the abstracts of the Railroad Tax Books on file in this office and duly certified to by the County Clerks of the aforesaid counties and the City Comptroller of the City of St. Louis.

In witness whereof, I have hereunto set my hand and affixed the seal of the State Auditor this the 3d day of April, 1907.

[SEAL.] WM. W. WILDER,
State Auditor.